

RACT Residential Property Insurance Target Market Determination

This Target Market Determination (TMD) sets out the class of customers this product has been designed for, taking into consideration their likely objectives, financial situation and needs.

The issuer of this product is RACT Insurance Pty Ltd ABN 96 068 167 804 AFS Licence No 229076.

This document provides the necessary information to assist RACT Insurance staff, our Distributors and Customers in understanding the TMD.

RACT Insurance Residential Property Insurance Products

Residential Property Insurance can provide insurance for buildings, contents, portable items and a tenants actions.

This TMD sets out the target market for:

- Home with Accidental Damage
- Home without Accidental Damage
- Investor Basic
- Investor Plus
- Strata

This is set out in the Appendix to this statement.

Distribution of this product

All RACT Insurance products are distributed via phone, branch and online.

Our distributors have control frameworks and quality assurance programs in place to support our distribution activity being delivered in alignment with our obligations. We ensure a range of underwriting guidelines are in place and embedded in our sales process to ensure that products provide value to our customers.

RACT Insurance will make risk-based decisions to determine its acceptance criteria about insurance cover that can be offered to you. Some of the key acceptance criteria relating to this target market determination may include:

- Your claims and criminal history,
- The condition of the Property and the construction features and value.

When distributed in accordance with this TMD and acceptance criteria it is likely that customers will obtain value from this product and its key attributes.

Reviewing this document

A review of the TMD will occur at least every 2 years following the first review period.

We will also review this TMD if any event or circumstances (called 'review triggers') occur that would reasonably suggest that the determination is no longer appropriate, such as:

- If a material change to the cover provided by the product is made.
- a change in acceptability criteria results in the suitability of the product for the target market.
- material changes are made to the way the product is distributed.
- the discovery of a material defect in the PDS for the product.
- significant or systemic complaints or claims issues are apparent that indicate that the suitability of the product to the target market has changed.
- Poor or significantly deteriorating key product suitability metrics, including:
 - Complaints monitoring
 - Net Promotor metrics
 - Product value metrics
 - Financial performance metrics
- feedback from a regulator, the Code Governance Committee (CGC) or Australian Financial Complaints Authority (AFCA) which suggest this TMD is no longer appropriate.

Reporting

Timeframes are in place for both RACT Insurance and its distributors in regard to the reporting and recording of all complaints received in relation to insurance products. These timeframes align to requirements specified in the General Insurance Code of Practice.

Our distributors and authorised representatives, including Royal Automobile Club of Tasmania are required to report to RACT Insurance if they become aware of significant dealing in this product which is not consistent with this TMD within 10 business days of becoming aware of such dealing.

Record keeping

RACT Insurance and its distributors will maintain records of the reasonable steps taken to ensure that this product is sold in a manner consistent with this TMD.

As part of these records we will ensure complete and accurate records of our decisions, and the reasons for those decisions, in relation to:

- The creation and alteration of TMDs
- The identification and monitoring of review triggers,
- The outcomes of periodic reviews
- The matters documented in this TMD.

RACT Residential Property Insurance Target Market Determination Appendix

Home with Accidental Damage

The Home with Accidental Damage Insurance product has been designed for people who want to be covered against financial loss caused by an Insured Event involving their Home Assets or other incidents as outlined in the PDS and are willing to select an appropriate level of cover relevant to their own circumstances.



This product is suitable for people who:

- Own or reside in a Residential Dwelling in Tasmania,
- Are looking for a product that provides cover for their own Home Assets against specified risks including some events they have accidentally caused for an agreed value and their associated legal liabilities,
- Want to select policy options to customize the cover to their situation.



This product is not suitable for:

- Any property that have commercial use outside of a Home Office or Home share Arrangement,
- a shared Liability under a Body Corporate or Owners Corporations,
- events caused by pre-existing damage or wear and tear,
- Investors that require protection for their tenanted property.

The Home with Accidental Damage Insurance product is subject to a range of detailed acceptance criteria.

Home without Accidental Damage

The Home without Accidental Damage Insurance product has been designed for people who want to be covered against financial loss caused by an Insured Event involving their Home Assets or other incidents as outlined in the PDS and are willing to select an appropriate level of cover relevant to their own circumstances.



This product is suitable for people who:

- Own or reside in a Residential Dwelling in Tasmania,
- Are looking for a product that provides cover for their own Home Assets against specified risks for an agreed value and their associated legal liabilities,
- Want to select policy options to customize the cover to their situation.



This product is not suitable for:

- Any property that have commercial use outside of a Home Office or Home share Arrangement,
- a shared Liability under a Body Corporate or Owners Corporations,
- events caused by pre-existing damage, wear and tear or an incident accidentally caused by the insured,
- Investors that require protection for their tenanted property.

The Home without Accidental Damage Insurance product is subject to a range of detailed acceptance criteria.

Investor Basic

The Investor Basic Insurance product has been designed for people who want to be covered against financial loss caused by an Insured Event involving their Home Assets or other incidents as outlined in the PDS and are willing to select an appropriate level of cover relevant to their own circumstances.



This product is suitable for people who:

- Own and Rent out a Residential Dwelling in Tasmania,
- Are looking for a product that provides cover for their own Home Assets against specified risks for an agreed value and their associated liabilities as a landlord,
- Want to select policy options to customize the cover to their situation.



This product is not suitable for:

- Any property that have commercial use outside of a Rental or Home Share arrangement,
- a shared Liability under a Body Corporate or Owners Corporations,
- events caused by pre-existing damage, wear and tear or an incident accidentally caused by the insured,
- Investors that require protection against tenants actions to their Residential dwelling.

The Investor Basic Insurance product is subject to a range of detailed acceptance criteria.

Investor Plus

The Investor Plus Insurance product has been designed for people who want to be covered against financial loss caused by an Insured Event involving their Home Assets or other incidents as outlined in the PDS and are willing to select an appropriate level of cover relevant to their own circumstances.



This product is suitable for people who:

- Own and Rent out a Residential Dwelling in Tasmania,
- Are looking for a product that provides cover for their own Home Assets against specified risks for an agreed value, some coverage against their tenants actions, and their associated liabilities as a landlord,
- Want to select policy options to customize the cover to their situation.



This product is not suitable for:

- Any property that have commercial use outside of a Rental or Home Share arrangement,
- a shared Liability under a Body Corporate or Owners Corporations,
- events caused by pre-existing damage, wear and tear or an incident accidentally caused by the insured.

The Investor Plus Insurance product is subject to the acceptance criteria.

Strata

The Strata Insurance product has been designed for people who want to be covered against financial loss caused by an Insured Event involving their Home Assets or other incidents as outlined in the PDS and are willing to select an appropriate level of cover relevant to their own circumstances.



This product is suitable for people who:

- own a strata building as defined by the Strata Titles Act 1998,
- Are looking for a product that provides cover for the Home Assets against specified risks for an agreed value, and their associated legal liabilities.



This product is not suitable for:

- Any property that have commercial use outside of a Home Office, Rental or Home Share arrangement,
- events caused by pre-existing damage, wear and tear or an incident accidentally caused by the insured,
- Investors that require protection against tenants actions to their Residential dwelling.

The Strata Insurance product is subject to a range of detailed acceptance criteria.