TOKIO MARINE NICHIDO

RACT - Travel insurance cover Target Market Determination (TMD)

Effective Date: 30 September 2025

About this document

This TMD applies to the travel insurance products described in the RACT Product Disclosure Statement and Financial Services Guide (**PDS/FSG**) listed in the Appendix that have been issued by Tokio Marine & Nichido Fire Insurance Co., Ltd. ABN 80 000 438 291 AFSL: 246548 (**Tokio Marine**).

The main purpose of this TMD is to describe the class of customers that the travel insurance products have been designed and are suitable for, having regard to their likely needs, objectives and financial situation.

This TMD also sets out the conditions and restrictions that are placed on the distribution of the travel insurance products, the events and circumstances that will trigger a review of the appropriateness of this TMD, how often distributors are required to provide information about any complaints to Tokio Marine and when this TMD will be reviewed.

This TMD does not replace the policy terms and conditions that are contained in the PDS/FSG. Customers should refer to the policy wording in the PDS/FSG to understand the precise scope of the insurance cover before making any decision about whether to acquire travel insurance.

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

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1. Target Market

Product description and key attributes

Main covers

There are seven available Plans and these are:

1. International Single Trip Plan - Comprehensive
2. International Single Trip Plan - Essentials
3. International Single Trip Plan - Saver
4. Annual Multi-Trip Plan
5. Domestic Single Trip Plan
6. Domestic Cancellation Plan
7. Domestic Rental Car Excess Plan

The table below sets out the Insurance Benefits that are available under each of the seven listed Plans. Not all Insurance Benefits are available under each Plan.

The Domestic Cancellation Plan only offers Cancellation Fees and Lost Deposits benefits.

The Rental Car Excess Plan only offers Rental Car Excess benefits.

The Insurance Benefits below are subject to the limitations and exclusions described in the PDS/FSG.

Insurance benefits

Insurance Benefits	International Single Trip Plan - Comprehensive	International Single Trip Plan - Essentials	Interntional Single Trip Plan - Saver	Annual Multi-Trip Plan	Domestic Single Trip Plan	Domestic Cancellation Plan	Domestic Rental Car Excess Plan
Cancellation Fees, lost deposits	☑	☑	☒	☑	☑	☑	☒
Overseas medical expenses	☑	☑	☑	☑	☒	☒	☒
Luggage and personal money	☑	☑	☑ Luggage only	☑	☑	☒	☒
Emergency expenses	☑	☑	☑	☑	☑	☒	☒
Accidental death	☑	☑	☒	☑	☑	☒	☒
Accidental disability	☑	☑	☒	☑	☑	☒	☒
Legal liability	☑	☑	☑	☑	☑	☒	☒
Rental car excess	☑	☑	☒	☑	☑	☒	☑
Loss of income	☑	☑	☒	☑	☑	☒	☒
Financial default	☑	☑	☒	☑	☑	☒	☒
Domestic pets	☑	☒	☒	☑	☒	☒	☒
Domestic services	☑	☒	☒	☑	☒	☒	☒
Travel delay	☑	☑	☒	☑	☑	☒	☒
Hijack and Kidnap	☑	☑	☒	☑	☒	☒	☒
COVID-19 benefits	☑	☑	☑	☑	☑	☑	☒

Optional cover	Not all activities are covered under the seven Plans. Cover for some activities is only available if it is purchased as an optional extra. The optional extra cover is: • Ski and winter sports (not available as an option under the Saver Plan) • Cruise benefits An additional premium is payable for each optional extra cover, and an additional excess may apply to claims made under these optional extras. The benefits covered by the optional extras and the limitations and exclusions that apply to them are described in the PDS/FSG.
Who is insured	• Persons who meet the eligibility criteria and acquire a Plan. Up to two adults can be insured persons under a single policy. • An unlimited number of dependants of insured persons are also covered if the dependants meet the eligibility criteria.
Medical conditions & pregnancy	**Medical conditions** The Plans automatically cover some medical conditions. All other medical conditions need to be disclosed for assessment whether cover can be provided. If a customer's medical condition is not automatically covered, and that customer wants that medical condition covered, the customer will need to complete a medical assessment. If we agree to cover that medical condition, then the customer may need to pay any additional premium and the condition will be shown on the customer's certificate of insurance. There are some medical conditions that we cannot cover under any of the Plans. **Pregnancy** The Plans provide automatic cover for a single, non-complicated pregnancy up to the end of the 25th week provided certain criteria are met as outlined in the PDS/FSG. For all pregnancy complications as described in the PDS/FSG, a medical assessment must be completed before cover can be considered. Some pregnancy complications are expressly excluded in the PDS/FSG.

Key eligibility criteria	**Insured persons must be:**
	• At the time of purchasing the policy, not aged more than:
	  ○ 110 years (for Single Trip cover),
	  ○ 75 years (for Annual Multi-Trip cover),
	  ○ 85 years (for optional Ski and Winter Sports cover); and
	• Australian citizens or permanent residents; or
	• hold a current Australian visa - but not a tourist, study or working holiday visa - that will remain valid beyond the period of the customer's return from their Trip, and holds a return ticket, a valid Australian Medicare card and has a primary place of residence in Australia.
	
	A dependant must be a child, stepchild, foster child or grandchild of an insured person;
	• aged 25 years or younger at the time the policy is bought;
	• financially dependant on their parents or grandparents and not working full-time;
	• travelling with an insured person for their entire trip; and
	• listed on the certificate of insurance as a dependant.
	
	General
	• all international Plan trips must begin and end in Australia;
	• all domestic Plan trips must be wholly within Australia;
	• a Plan must be purchased before a trip is commenced;
	• In some cases a return ticket is required to be held.

Key exclusions	The Benefits under each Plan are subject to general as well as specific exclusions. Full details of these are contained in the PDS/FSG. The following key exclusions apply: • Where a person fails to take reasonable care or puts themselves in a situation where a reasonable person could foresee or ought to foresee that loss, theft, or damage to property, or a death, illness or injury was likely to happen; • where the insured was aware, or where a reasonable person in the position of the insured would have been aware or ought to have been aware, at the relevant time that would give rise to making a claim, or may lead to the trip being disrupted or cancelled; • any medical conditions that are not automatically covered and which have not been assessed and listed as covered in the certificate of insurance; • conditions or illnesses that are currently being treated or investigated or where surgery or treatment is currently being provided; • driving or being a passenger of a vehicle, motorcycle, moped or scooter while not holding a current Australian licence to do so, and even if the country of travel does not require a licence to be held; • where a person is a passenger on a motorcycle, moped or scooter without a helmet or under the control of a person without a current motorcycle or drivers licence valid for the country of travel; • being under the influence of alcohol or drugs where a person's judgement is reasonably impaired • where a person drives a vehicle or motorcycle above the permitted blood alcohol concentration limit; and • where a 'Do Not Travel' warning has been issued by the Australian government for the country or region of travel. Please refer to the full description of the exclusions under each policy section and the General Exclusions described in the PDS/FSG.

Limitations	Benefits are subject to section limits, sub-limits and single item and aggregate limits as specified in the PDS/FSG and certificate of insurance. Under the Annual Multi-Trip Plan, claims limits will reset for each trip. Claims may be fulfilled by an assistance service provider, or repair, replacement, reimbursement or by a cash settlement depending on the circumstances.
Excess	Claims are subject to an excess, as specified in the PDS/FSG and certificate of insurance. There are options under all Plans to pay additional premium to reduce the excess amount. For international trips a customer can select an excess of $0, $100, $250, $500 or $1,000 excess and the premium payable will vary accordingly, except for International Single Trip – Saver, where the lowest available excess is $100. For the Domestic Single Trip Plan, the standard excess is $100 and this can be reduced to nil for additional premium. There are options under the International Single Trip Plans to select a higher excess of up to $1,000 and pay less premium. Please note that a higher excess may result in there being no, or minimal, recovery under some of the benefit limits.

2. Likely needs, objectives and financial situation

International Single Trip - Comprehensive

This product is designed for persons:	• taking a single trip international trip for leisure purposes and which includes river cruising, departing from Australia and returning to Australia within 365 days, who want to protect themselves and their dependants against unexpected costs, expenses and personal liability that they may incur on their trip for all of the benefits within the RACT International Single Trip product and at the highest available dollar value benefit level. • who have the ability to pay the premium, for the most comprehensive scope and value of benefits available under the RACT International Single Trip product, and to cover any excess in the event of a claim in accordance with the excess option selected. • who can afford to pay the full cost of any costs incurred in advance of seeking claims reimbursement, unless where otherwise stated in the PDS/FSG. • who can afford to incur travel or medical expenses that exceed the applicable benefit limit (as specified in the PDS/FSG). Our assessment of the key terms, features and attributes of the benefits available under the International Plan – Comprehensive is that they are likely to be consistent with the needs, objectives and financial situation of customers in the target market for this product.
This product is <u>not</u> designed for persons:	• travelling domestically. • taking more than one international return trip to Australia. • not departing from and returning to Australia within 365 days. • whose trip includes ocean cruising unless this is selected as an optional extra • whose trip involves taking part in skiing or winter sports unless this is selected as an optional extra. • whose trip involves taking part in certain sporting and other activities that are not covered. • who are seeking cover for medical conditions that are not automatically covered or which are assessed and not accepted for cover. • who do not have a known travel itinerary, such as pre-paid accommodation. • who require cover for pregnancy related costs from 26 weeks onwards. • who cannot afford the excess and any applicable upfront costs and expenses incurred while on their trip. • who require cover for benefits falling under the chosen excess.

International Single Trip - Essentials

This product is designed for persons:	• taking a single trip international trip for leisure purposes and which includes river cruising, departing from Australia and returning to Australia within 365 days, who want to protect themselves and their dependants against unexpected costs, expenses and personal liability that they may incur on their trip for the essential benefits within the RACT International Single Trip product and at a generally reduced available dollar value benefit level compared to the Comprehensive Plan. • who are able to pay the premium for the scope and value of benefits available under the RACT International Single Trip product, and to cover any excess in the event of a claim in accordance with the excess option selected. • who can afford to pay the full amount before seeking claims reimbursement unless where otherwise stated in the PDS/FSG. • who can afford to incur travel or medical expenses that exceed the applicable benefit limit (as specified in the PDS/FSG. Our assessment of the key terms, features and attributes of the insurance benefits available under the International Plan - Essentials is that they are likely to be consistent with the needs, objectives and financial situation of customers in the target market for this product.

This product is not designed for persons:	• travelling domestically. • taking more than one international return trip to Australia. • not departing from and returning to Australia within 365 days. • whose trip includes ocean cruising unless this is selected as an optional extra. • whose trip involves taking part in skiing or winter sports unless this is selected as an optional extra. • whose trip involves taking part in certain sporting and other activities that are not covered. • who are seeking cover for medical conditions that are not automatically covered or which are assessed and not accepted for cover. • who do not have a known travel itinerary, such as pre-paid accommodation. • who require cover for their domestic pets while they are on their trip. • who require cover for the provision of domestic services if they are injured on their trip and become disabled. • who require cover for pregnancy related costs from 26 weeks onwards. • who cannot afford the excess and any applicable upfront costs and expenses incurred while on their trip. • who require cover for benefits falling under their chosen excess.

International Single Trip - Saver

This product is designed for persons:	• taking a single trip international trip for leisure purposes and which includes river cruising, departing from Australia and returning to Australia within 365 days, who want to protect themselves and their dependants for the following basic range of insurance benefits for costs, expenses and personal liability that they may incur on their trip within the RACT International Single Trip product:
	  ○ overseas medical, dental and hospital expenses
	  ○ funeral expenses
	  ○ loss, theft or damage to luggage
	  ○ emergency expenses
	  ○ legal liability
	• who are able to pay the premium for the most basic scope and value of benefits available under the RACT International Single Trip product, and to cover any excess in the event of a claim in accordance with the excess option selected.
	• who can afford to pay the full amount before seeking claims reimbursement unless where otherwise stated in the PDS/FSG.
	• who can afford to incur travel or medical expenses that exceed the applicable benefit limit (as specified in the PDS/FSG.
	Our assessment of the key terms, features and attributes of the insurance benefits available under the International Plan - Saver is that they are likely to be consistent with the needs, objectives and financial situation of customers in the target market for this product.

This product is not designed for persons:	• travelling domestically. • taking more than one international return trip to Australia. • not departing from and returning to Australia within 365 days. • whose trip includes ocean cruising unless this is selected as an option. • whose trip involves taking part in skiing or winter sports.

	• whose trip involves taking part in certain sporting and other activities that are not covered. • who are seeking cover for medical conditions that are not automatically covered or which are disclosed and not accepted for cover by the product issuer. • who do not have a known travel itinerary, such as pre-paid accommodation. • who require cover for their domestic pets while they are on their trip. • who require cover for the provision of domestic services if they are injured on their trip and become disabled. • who require cover for pregnancy related costs from 26 weeks onwards. • who cannot afford the excess and any applicable upfront costs and expenses incurred while on their trip • who require cover for benefits falling under their chosen excess.

Annual Multi-Trip Plan

This product is designed for persons:	• taking multiple trips for leisure purposes more than 250km away from their home, that may include river cruising of no more than the chosen trip limit (which can be either 30, 45 or 60 days per trip, taken internationally or domestically, over a 12-month period, and who want to protect themselves and their dependants against unexpected costs, expenses and personal liability that they may incur on their trips for all of the benefits within the RACT travel insurance product and at the highest available dollar value benefit level. • who are able to pay the premium, and to cover any excess in the event of a claim in accordance with the excess option selected. • who can afford to pay the full amount before seeking claims reimbursement unless where otherwise stated in the PDS/FSG. • who can afford to incur travel or medical expenses that exceed the applicable benefit limit (as specified in the PDS/FSG. Our assessment of the key terms, features and attributes of the insurance benefits available under the Annual Mutli-Trip Plan is that they are likely to be consistent with the needs, objectives and financial situation of customers in the target market for this product.
This product is <u>not</u> designed for persons:	• who take domestic trips within 250km of where they live. • who take individual trips lasting longer than the chosen trip limit. • whose trip includes ocean cruising unless this is selected as an optional extra. • whose trip involves taking part in skiing or winter sports unless this is selected as an optional extra. • whose trip involves taking part in certain sporting and other activities that are not covered. • who are seeking cover for medical conditions that are not automatically covered or which are assessed and not accepted for cover. • who do not have a known travel itinerary, such as pre-paid accommodation. • who require cover for pregnancy related costs from 26 weeks onwards. • who cannot afford the excess and any applicable upfront costs and expenses incurred while on their trip.

Domestic Single Trip Plan

This product is designed for persons:	• taking a single trip for leisure purposes domestically which may include river cruising and who want to protect themselves and their dependants against unexpected costs, expenses and personal liability that they may incur on their trip within the RACT travel insurance product. • who are able to pay the premium, and to cover any excess in the event of a claim in accordance with the excess option selected. • who can afford to pay the full amount before seeking claims reimbursement unless where otherwise stated in the PDS. • who can afford to incur travel expenses that exceed the applicable benefit limit (as specified in the PDS). Our assessment of the key terms, features and attributes of the insurance benefits available under the Domestic Plan is that they are likely to be consistent with the needs, objectives and financial situation of customers in the target market for this product.
This product is not designed for persons:	• who take a single trip lasting longer than 365 days • whose trip involves travel outside of Australia • whose trip includes ocean cruising • whose trip includes river cruising where medical or evacuation cover is required • whose trip involves taking part in skiing or winter sports unless this is selected as an optional add-on. • whose trip involves taking part in certain sporting and other activities that are not covered. • who are seeking cover for anything other than Cancellation Fees and Lost Deposits benefits for medical conditions that are not automatically covered or which are disclosed and not accepted for cover by the product issuer. • who do not have a known travel itinerary, such as pre-paid accommodation. • who require cover for their domestic pets while they are on their trip who require cover for the provision of domestic services if they are injured on their trip and become disabled. • who require cover for medical, hospital, dental or evacuation expenses.

Domestic Rental Car Excess Plan

This product is designed for persons:	• who have rented a vehicle from a motor vehicle rental company and have a binding legal agreement and who want to protect themselves against the rental vehicle insurance excess or the cost of windscreen or tyre repairs which would have been covered under the excess. • who are able to pay the premium, and to pay any excess in the event of a claim in accordance with the excess option selected. Our assessment of the key terms, features and attributes of the insurance benefits available under the Domestic Plan is that they are likely to be consistent with the needs, objectives and financial situation of customers in the target market for this product.
This product is not designed for persons:	• who has a Rental Vehicle agreement that does not include comprehensive insurance with an applicable excess. • who cannot afford to pay the required rental vehicle excess up front. • Whose trip involves travel outside of Australia

Domestic Cancellation Plan

This product is designed for persons:	• taking a single trip for leisure purposes within Australia which may include river cruising and who want to protect themselves against unexpected loss of deposits or cancellation fees for prepaid travel and accommodation arrangements that they may incur on or prior to their trip within the RACT travel insurance product. • who are able to pay the premium, and to pay any excess in the event of a claim in accordance with the excess option selected. Our assessment of the key terms, features and attributes of the insurance benefits available under the Domestic Plan is that they are likely to be consistent with the needs, objectives and financial situation of customers in the target market for this product.
This product is not designed for persons:	• who take a single trip lasting longer than 365 days. • whose trip involves travel outside of Australia. • whose trip includes ocean cruising. • who do not have a known travel itinerary, such as prebooked accommodation. • who require cover for medical related expenses.

3. Distribution

Distribution channels

Products under this TMD may be distributed through any of the following means:

- online through relevant websites

Distribution conditions and restrictions

Products under this TMD can only be sold to persons that are eligible for cover in accordance with the application criteria outlined in the PDS approved by Tokio Marine and within the product purchase pathway (**Application Process**).

The Application Process has been tailored to identify the target market described in this TMD as part of the eligibility criteria. The use of this Application Process will make it more likely that the product will be acquired by persons within the target market.

Distribution reporting

Distributors are required to report the following information in relation to the distribution of products covered by this TMD:

- On a quarterly basis, the number and nature of complaints in relation to the products in this TMD
- Within 10 business days, any significant dealings of the product outside of the target market that the distributor becomes aware of.

4. TMD reviews

This TMD shall be reviewed within 12 months of the effective date of this TMD and then a further review once every two years.

This TMD shall also be reviewed if any of the following events or circumstances occur that suggest that the TMD 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;
- relevant external events such as relevant court proceedings, political and global events or adverse media coverage.

Appendix

This TMD applies to the products described in the PDS listed below and any related Supplementary Product Disclosure Statements (**SPDS)** when made available to customers on or after the applicable Scheduled Commencement Date:

Scheduled Commencement Date	Product Disclosure Statements
15 December 2023	RACT Travel Insurance
23 August 2024	RACT Travel Insurance
29 May 2025	RACT Travel Insurance
30 September 2025	RACT Travel Insurance