

# RACQ Household Insurance Target Market Determination



This target market determination is designed to provide customers, distributors and RACQ staff with the appropriate information to understand who this product has been designed for and our approach to determining that the product is likely to be consistent with the objectives, financial situations and needs of the customer and the distribution conditions.

In this document the terms "RACQ", "we", "us" or "our" refer to RACQ Insurance Limited, AFSL 233082.

## RACQ Household Insurance Product

The RACQ Household Insurance Products provides insurance for units, apartments, townhouses, transportable homes, and houses, and the Contents contained within.

This Target Market Determination (TMD) sets out the target market for:

- Home Insurance
- Contents Insurance

This is set out in the Appendix to this statement.

## Distribution of this product

This product is designed to be distributed by our representatives via:

- RACQ contact centres by calling 13 1905,
- RACQ's website by visiting racq.com (where available), and
- RACQ branches (including agencies).

Only these representatives are authorised to distribute this product as they understand the market this product has been designed for, have been trained in the relevant acceptance criteria and have the appropriate levels of authority.

RACQ 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 history
- The condition of your home

## Reviewing this document

We will review this TMD within 2 years from the effective date to ensure it remains appropriate.

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:

- We make a material change to the cover provided by the product,
- A change in our acceptance criteria that impacts on the suitability of the product for the target market,
- A material change to the distribution of the product,
- The discovery of a relevant and material deficiency in the product's disclosure documentation,
- Systemic complaints and claims issues which indicate that the product is no longer suitable for the described target market,
- Material and relevant reductions in our key product suitability metrics such as:
  - Member satisfaction,
  - Product acceptance,
  - Financial performance,
  - Benefits to members,
  - Product value and affordability.

We will review this TMD within 10 business days of the occurrence of any review trigger.

## Reporting

RACQ and all distributors must record all complaints received about this product on a quarterly basis (Complaints Reporting Period). Distributors are required to provide to us written details of any complaints about the product they have received during the Complaints Reporting Period within 10 business days of the end of the period.

Our distributors and authorised representatives, including RACQ Operations Pty Ltd, are required to provide regular and incident-based reporting on key metrics (see the heading "Reviewing this document") to allow us to review this TMD.

Distributors are also required to report to RACQ 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.

All distributors must report sales data including number of policies issued, renewed and cancelled on a monthly basis.

## Record keeping

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

We will also prepare and maintain complete and accurate records of our decisions, and the reasons for those decisions, in relation to:

- All target market determinations for this product,
- Identifying and tracking review triggers,
- Setting review periods, and
- The matters documented in this TMD.

# RACQ Household Insurance Target Market Determination Appendix



## Home Insurance

The RACQ Home Insurance product has been designed for people who want to be covered against financial loss caused by an incident involving their home and are willing to select an appropriate level of cover relevant to their own circumstances.

This product is suitable for people who:	This product is not suitable for:
<ul style="list-style-type: none"><li>✔ Own and reside in the insured home or,</li><li>✔ Are the landlords of a residential building,</li><li>✔ Require insurance protection for their home and associated legal liabilities,</li><li>✔ Want the ability to select optional benefits to suit their individual needs.</li></ul>	<ul style="list-style-type: none"><li>✘ Homes outside of Australia,</li><li>✘ Homes that are used primarily for business/commercial purposes,</li><li>✘ Homes that are under a Body Corporate or Owners Corporation,</li><li>✘ Landlords that require full landlord protection for their tenanted property.</li></ul>

The RACQ Household Insurance product is subject to the acceptance criteria.

## Contents Insurance

The RACQ Contents Insurance product has been designed for people who want to be covered against financial loss caused by an incident involving their contents and are willing to select an appropriate level of cover relevant to their own circumstances.

This product is suitable for people who:	This product is not suitable for:
<ul style="list-style-type: none"><li>✔ Require cover for their contents within a home they own, or rent and reside in or,</li><li>✔ Are the landlord of a residential building,</li><li>✔ Require insurance protection for their contents and associated legal liabilities,</li><li>✔ Want the ability to select optional benefits to suit their individual needs,</li><li>✔ People that only require limited cover for illness and injury for their pet in addition to their contents.</li></ul>	<ul style="list-style-type: none"><li>✘ Contents kept outside of Australia,</li><li>✘ Contents located at a home that is primarily used for business/commercial purposes,</li><li>✘ Landlords that require full landlord protection for their tenanted property.</li></ul>

The RACQ Household Insurance product is subject to the acceptance criteria.