

Target Market Determination

for Home Buildings and/or Home Contents Insurance cover

About this document

This Target Market Determination (TMD) applies to the Home Buildings and/or Home Contents Insurance products. It seeks to offer customers, distributors and employees an understanding of the class of customers for which these products have been designed, considering their needs, objectives and financial situation.

This document is not intended to provide financial advice regarding coverage, nor does it form a part of the terms of cover. In addition to the key eligibility requirements outlined in this document, the product is also subject to acceptance criteria. Customers must refer to the Product Disclosure Statement (PDS) and any supplementary document(s), which outline the relevant terms, conditions, exclusions and insurance cover being provided under the product, when making a decision about this product.

1. Issuer

Insurance Australia Limited, ABN 11 000 016 722, AFS Licence No. 227681

2. Date from which this Target Market Determination is effective

5 October 2021.

This Target Market Determination is effective from the date shown above. This Target Market Determination will apply to policies that are purchased or renewed on or after 5 October 2021. For historical versions of this document, please contact your insurer or distributor, or refer to our website at iag.com.au/tmd.

3. Class of customers that fall within this target market

The Home Buildings and/or Home Contents Insurance products are designed to offer choices of cover for a class of customers whose likely needs, objectives and financial situation outlined below, are aligned with the product and its key attributes and eligibility criteria.

3.1 Product description and key attributes

The Home Buildings and/or Home Contents Insurance products can be tailored to suit the individual person. This can be based on the value of their building and/or contents, inclusion of additional or specific assets, and options for excess, certain optional covers and premium payment arrangements.

Depending on your needs you can choose Home Buildings cover, Home Contents cover or you can choose both covers.

The key eligibility requirements to purchase this insurance product include:

3.1.1 Home Buildings Insurance

Key eligibility criteria	This product is appropriate for	This product is not appropriate for
The type of Home you own	Providing cover for a private residential building, including the fixtures and fittings, such as a: <ul style="list-style-type: none">• Free standing house• Townhouse, villa or duplex• Semi-detached house or terrace	Buildings which are, but not limited to: <ul style="list-style-type: none">• Under registered body corporate• Houseboats Note: different products may be available for these types of buildings

How you use the Home you own	A private residential building that is your: <ul style="list-style-type: none"> • Primary residence, or • Holiday home 	The Home is a business, including but not limited to: <ul style="list-style-type: none"> • Hotels, motels, or hostels • Bed & breakfast • Nursing home • Retirement village • Boarding houses • For the purposes of an exhibition or display • Used predominantly for commercial or business reasons
The condition of your Home	The Home meets the acceptable dwelling criteria, including being: <ul style="list-style-type: none"> • Secure • Watertight • Structurally sound, and • Well maintained 	The Home fails the acceptable dwelling criteria, including being: <ul style="list-style-type: none"> • Under initial construction • Under renovations that costs more than specified in the PDS

3.1.2 Home Contents Insurance

Key eligibility criteria	This product is appropriate for	This product is not appropriate for
The type of Home you live in as the owner or as a tenant	General Contents you own within a private residence that is a: <ul style="list-style-type: none"> • Free standing house • Townhouse, villa or duplex • Unit, flat or apartment • Semi-detached house or terrace • Retirement village or aged care facility • Strata Titled property 	Contents you own within, but not limited to: <ul style="list-style-type: none"> • Rental Properties that you own and rent out to tenants • Houseboats <p>Note: different products may be available to insure contents within these types of buildings</p>
The type of Contents	<ul style="list-style-type: none"> • We will cover household goods or personal effects that you own or are legally responsible for, and • Are items which you or your family keep in and around your Home 	Contents listed as excluded and/or under 'contents that we don't insure' in the PDS such as: <ul style="list-style-type: none"> • Animals • Trailers
How you use the Home you live in as the owner or as a tenant	A private residential building that is your: <ul style="list-style-type: none"> • Primary residence, or • Holiday home 	The Home is a business, including but not limited to: <ul style="list-style-type: none"> • Hotels, motels, or hostels • Bed & breakfast • For the purposes of an exhibition or display • Used predominantly for commercial or business reasons
The condition of the Home you live in as the owner or as a tenant	The Home meets the acceptable dwelling criteria, including being: <ul style="list-style-type: none"> • Secure • Watertight • Structurally sound, and • Well maintained 	The Home fails the acceptable dwelling criteria, including being: <ul style="list-style-type: none"> • Under initial construction • Under renovations that costs more than specified in the PDS

3.2 Needs and objectives

This product has been designed for people who require a choice of different covers as set out in the table below.

Needs and objectives	Choice of cover		
	Accidental Damage	Listed Events, Coles Home	Fundamentals*
Level of cover	High level of cover	Mid level of cover	Lowest level of cover
Are seeking cover for damage to your Home Buildings and/or Contents	Cover for Accidental Damage, Accidental Loss and Listed Events with Additional Benefits	Cover for Listed Events with Additional Benefits	Cover for a restricted number of Listed Events and limited Additional Benefits
Location of where cover is provided if Contents cover is chosen	<ul style="list-style-type: none"> At your Home At your Home in the open air, and Away from your Home 	<ul style="list-style-type: none"> At your Home At your Home in the open air Away from your Home for limited Listed Events and at locations as listed in the PDS 	<ul style="list-style-type: none"> At your Home, and At your Home in the open air
Are seeking Liability cover – as the property owner or occupier of the property	✓	✓	✓
Are seeking cover for Flood	✓	✓	✓
Are seeking optional covers	✓	✓	✓

*Not available for brokers

Each PDS has specific coverage and limitations.

3.3 Financial situation

A person who is able to pay premiums in accordance with the chosen premium structure, excess, fees and government charges, having regard to personal circumstances and vulnerability or hardship considerations.

Relevant financial situation considerations include:

- Ability to potentially vary your premium by considering different levels of cover/options
- Ability to potentially vary your premium level by choosing your excess
- Ability to choose to pay your premium annually or by instalment.

3.4 Consistency with the target market

The insurance product including its key attributes is likely to be consistent with the likely objectives, financial situation and needs of the class of customers in the target market, as we consider that it provides the required type of insurance cover for that class of customers. This has been determined based on an assessment of the insurance product including its key attributes. Individual customers will need to consider whether this insurance product meets their specific objectives, financial situation and needs.

4. How this product can be distributed and distribution conditions

The following distribution conditions apply:

- This product is designed to be distributed by us or our distributors through the following means, where authorised:
 - Online through relevant websites
 - By contacting a branch or contact centre
 - In person (e.g. branch, agency, or premises visit)
- This product can only be issued to people where they are eligible for that cover in accordance with the application and/or acceptance/renewal criteria that has been approved in writing by the issuer and which complies with relevant laws
- This product can only be distributed by us or distributors where we or our distributors have received training and relevant accreditation (if required) and have met annual compliance reviews.

The distribution conditions will make it likely that customers who acquire the insurance product are in the target market, as we consider that the distribution conditions are appropriate and will enable us and our distributors to direct the insurance product to the class of customers who fall within the target market set out above. This has been determined based on an assessment of the distribution conditions and the target market.

5. Reviewing this Target Market Determination

We will review this Target Market Determination in accordance with the below.

Initial review	Within three (3) years of the effective date
Periodic reviews	At least every three (3) 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 to): <ul style="list-style-type: none"> • A material change to the design or distribution of the insurance cover, including related documentation • An alteration in acceptance criteria or underwriting criteria • Systemic issues across the product lifecycle • Distribution conditions are no longer appropriate • We have determined that a significant dealing has occurred • Where applicable, feedback from distributors and customers • External events such as adverse media coverage or regulatory attention, and • Significant changes in metrics including claims, complaints and loss ratios

Where a review trigger has been identified, this Target Market Determination will be reviewed within 10 business days.

6. Reporting and monitoring this Target Market Determination

We will collect and may require our distributors to report on the following information in relation to this TMD:

Complaints	All complaints in relation to this product on a monthly basis. This will include written details of the complaints.
Sales data	Relevant sales and customer data in relation to this product on a monthly basis.
Claims data	Where relevant, claims data in relation to this product on a monthly basis.
Significant dealings	Report if we or they become aware of a significant dealing in relation to the product that is inconsistent with the TMD within 10 business days.

7. PDS to which this Target Market Determination applies

This TMD applies to the following PDS':

PDS Reference	
Accidental Damage Home	Fundamentals Home Insurance
Fundamentals Home	Listed Events
Accidental Damage	Listed Events – Base
First Choice Home	Home Insurance
Accidental Damage Home Insurance	Listed Events Home
Listed Events Home Insurance	