

Target Market Determination

for Strata Title Mortgagee Protection cover

About this document

This Target Market Determination (TMD) applies to the Home Buildings and/or Home Contents and Landlord Buildings and/or Landlord 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

09 February 2024.

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 09 February 2024. 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 Strata Title Mortgagee Protection Insurance product is designed to offer 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 Strata Title Mortgagee Protection Insurance product can be tailored to suit the individual person. This can be based on the individual value of their mortgage, options for excess and premium payment arrangements.

The key eligibility requirements to purchase this insurance product include:

Key eligibility criteria	This product is appropriate for	This product is not appropriate for
Ownership and how the building is used	<ul style="list-style-type: none">Buildings that are strata titled, company titled, registered as community or neighbourhood associations or form part of a registered stratum.Buildings used predominantly for residential purposes.	<ul style="list-style-type: none">Buildings that are not strata titled, company titled, registered as community or neighbourhood associations or form part of a registered stratum.Buildings used predominantly for commercial purposes.
The type of building you own	<ul style="list-style-type: none">Townhouses, villas or duplexes.Units, flats or apartments.Freestanding houses.	<ul style="list-style-type: none">Commercial properties.
How the property is used and occupied	A private residential building that is: <ul style="list-style-type: none">Your primary residence.Rented out to tenants.Rented out under a short-term rental agreement subject to meeting acceptable underwriting criteria.	The property 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.

3.2 Needs and objectives

This insurance product has been designed for people seeking mortgage protection for strata titled or similar plan buildings as set out below:

- Where there is a gap between the amount owed under your mortgage and the sum insured for loss or damage to buildings under the insurance arranged by your body corporate (subject to your chosen sum insured); or
- Where you seek to insure your building for loss or damage when your body corporate has not insured your building for any loss or damage; or
- Where you seek insurance cover for loss or damage to building for events that are not covered under the insurance arranged by your body corporate, but are expressly covered under this insurance product.

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 choose to pay your premium annually or by instalment
- Ability to potentially vary your premium level by choosing your excess.

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:
 - 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	Listed Events Home Insurance
Fundamentals Home	Fundamentals Home Insurance
Accidental Damage	Listed Events
First Choice Home	Accidental Damage Home Insurance
Rental Protection Plus	Listed Events Home
Landlords Residential property	Landlords Accidental Damage
Landlords Residential Property Insurance	Landlord Plan
Landlords Insurance	Landlord Insurance