



Target Market Determination

This Target Market Determination (TMD) is designed to provide consumers, and our distributors and their representatives, with information about who this product has been designed for by describing the class of consumers that comprise the target market for the product and other matters relevant to the product's distribution and review.

In this document:

- “RACQ”, “we”, “us” or “our” refers to RACQ Insurance Limited, AFSL 233082.
- “Honey” refers to Honey Insurance Pty Ltd, AFSL 528244

This document is not a Product Disclosure Statement (PDS) and is not a description of full product terms and features.

Household Insurance

Honey Household Insurance Product

The Honey Household Insurance Product provides insurance for units, apartments, townhouses, transportable homes, and houses, and the contents contained within.

This TMD sets out the target market for:

- Home Insurance
- Contents Insurance

Both target markets are set out separately in the Appendix to this statement. The likely needs and objectives of consumers in the target market for this product are likely to be met because the product provides:

- Insurance cover that can wholly or partially contribute to the repair or replacement of their home or contents after an incident.
- Financial protection if they are sued for property damage or bodily injury to another person, for which they are liable.
- Financial support to avoid or minimise other costs that may occur when they make a claim, such as clean-up costs, demolition and removal of debris, or counselling services (see the product descriptions in the Appendix for more examples).

Household Insurance

Distribution of this product

This product is distributed by our representatives only via:



Honey's contact centre
by calling **137 137**



Honey's website by visiting
honeyinsurance.com



Honey's authorised
distribution partners

We have distribution conditions in place designed to help ensure this product is only sold to consumers in the target market.

These conditions include measures such as:

- Suitability and eligibility questions on application, to determine whether the consumer meets the eligibility requirements for the product.
- Risk-based acceptance criteria based on particular features of the consumer or the home or contents to be insured. Some of the key acceptance criteria include:
 - the condition and use of the home or contents.
- Production and distribution of materials that explain and document the covers that are designed for consumers in the target market.
- Analysis of review triggers and other suitability data in the formation of renewal decisions.
- Training and authorisation of representatives in our Distribution Network for this product. These representatives understand the market this product has been designed for, have been trained in the relevant acceptance criteria, and have the appropriate levels of authority.
- Systems and processes that support our suitability and eligibility assessments, and the delivery of other information relevant to the consumer's understanding of the market for the product.
- Controls on marketing and sales conduct to those outside the target market.

Household Insurance

Reviewing this document

We will review this TMD within 2 years from the effective date, and then within every 2 years from the preceding review, 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, or the product is no longer consistent with the likely objectives, financial situation and needs of consumers in the target market, such as:

- Our acceptance criteria changes and that impacts the suitability of the product for the target market,
- The distribution of the product changes,
- A relevant and material deficiency in the product's disclosure documentation is discovered,
- Systemic issues or complaints indicate the product is no longer suitable for the described target market,
- Distribution conditions, systematic issues or complaints indicate it is likely that consumers who acquire the product are not in the target market,
- Material and relevant reductions in our key product suitability metrics such as:
 - Customer satisfaction,
 - Product acceptance,
 - Financial performance,
 - Benefits to customers,
 - Product value and affordability.

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

Household Insurance Target Market Determination Appendix

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 are required to provide monthly 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 a 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 the 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.

Household Insurance

Target Market Determination Appendix

Home Insurance

The Honey 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 seeking an appropriate level of cover relevant to their personal circumstances.

This product is suitable for people who:	This product is not suitable for:
✓ Own and reside in the insured home	✗ Homes outside of Australia,
✓ Require insurance protection for their home and associated legal liabilities,	✗ Homes that are used primarily for business/commercial purposes,
✓ Want the ability to select optional benefits to suit their individual needs.	✗ Homes that are under a Body Corporate or Owners Corporation,
✓ Want the ability to select additional self-monitoring tools to protect their home and access premium discounts	✗ Landlords that require insurance for their tenanted property.
	✗ Tenants

Household Insurance

Target Market Determination Appendix

Product Description Summary

Below is a description of the key terms, features and attributes that affect whether this product is likely to be suitable for the needs of the target market. Refer to the PDS for full details of policy coverage and limits.

This product is subject to our acceptance criteria – see key examples described under the heading “Distribution of this product”.

Home Insurance – Summary of cover for loss or damage caused by the listed Insured Events				
Limits – up to the sum insured shown on the Certificate of Insurance. General limits apply for some home items covered.				
Animal damage	Fire	Leaks	Storm	Tsunami
Earthquake	Flood	Lightning	Storm surge	Vandalism
Explosion	Impact	Riots	Theft	

Home Insurance – Summary of other benefits	
Broken glass – Up to the sum insured	Funeral costs – Up to \$5,000
Home modifications after a serious injury – Up to \$25,000	Redundancy premium waiver – Up to 9 months
Counselling services – Up to \$1,500	Investigating leaks – Up to 10% of the sum insured
Replacing trees, shrubs, plants & hedges – Up to \$1,000	Demolition and removal of debris – Up to 20% of the sum insured
Lifetime guarantee on authorised repairs	Temporary accommodation – Up to 10% of the sum insured
Design – Up to 10% of the sum insured	Locks – Up to \$1,000
Legal liability – Up to \$20,000,000	Emergency services damage – Up to \$1,000

Home Insurance – Optional benefits	
Advanced cover – Up to the sum insured	Motor burnout – Up to the sum insured

Household Insurance

Target Market Determination Appendix

Contents Insurance

The Honey 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 seeking an appropriate level of cover relevant to their personal circumstances.

This product is suitable for people who:	This product is not suitable for:
✓ Require cover for their contents within a home they own, or rent and reside in or,	✗ Contents kept outside of Australia,
✓ Require insurance protection for their contents and associated legal liabilities,	✗ Contents located at a home that is primarily used for business/commercial purposes,
✓ Want the ability to select optional benefits to suit their individual needs.	✗ Landlords that require insurance for their tenanted property.
✓ Want the ability to select additional self-monitoring tools to protect their contents, when combined with a Home Insurance policy.	

Product Description Summary

Below is a description of the key terms, features and attributes that affect whether this product is likely to be suitable for the needs of the target market. Refer to the PDS for full details of policy coverage and limits.

This product is subject to our acceptance criteria – see key examples described under the heading “Distribution of this product”.

Contents Insurance – Summary of cover for loss or damage caused by the listed Insured Events				
Limits – up to the sum insured shown on the Certificate of Insurance. General limits apply for some contents items covered.				
Animal damage	Fire	Leaks	Storm	Tsunami
Earthquake	Flood	Lightning	Storm surge	Vandalism
Explosion	Impact	Riots	Theft	

Household Insurance

Target Market Determination Appendix

Contents Insurance – Summary of other benefits	
Broken glass – Up to the sum insured	Home Office coverage – Up to \$20,000
Redundancy premium waiver – Up to 9 months	Extra living expenses – Up to 10% of the sum insured
Food spoilage – Up to \$1,000	Clean up costs – Up to 10% of the sum insured
Contents in a safe deposit box – Up to 10% of the sum insured	Replacing documents – Up to \$1,000
Security firm response – Up to \$750	Temporary removal of contents – Up to 20% of the sum insured
Gifts – Up to \$1,000	Contents in storage – Up to the sum insured
Contents in transit – Up to the sum insured	Storage costs after an event – Up to 10% of the sum insured
Funeral costs – Up to \$5,000	Lifetime guarantee on authorised repairs
Locks – Up to \$1,000	Counselling services – Up to \$1,500
Credit card misuse – Up to \$1,500	Visitor’s contents – Up to \$500
Legal liability – Up to \$20,000,000	Demolition and removal of debris – Up to 20% of the sum insured

Contents Insurance – Optional benefits	
Advanced cover – Up to the sum insured	Motor burnout – Up to the sum insured
Mobile phones – Up to nominated amount of your Certificate of Insurance	Small business contents – Up to \$20,000
Individual items at home – Up to nominated amount of your Certificate of Insurance	Individual items away from home – Up to nominated amount of your Certificate of Insurance
Group items away from home – Up to nominated amount of your Certificate of Insurance	