



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. Please refer to definitions in the PDS.

Landlord Insurance

Honey Landlord Insurance Product

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

This TMD sets out the target market for:

- Building 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 rental property or contents after an incident.
- Financial protection if they are sued for an incident that causes property damage or bodily injury to another person at the insured address, for which they are liable.
- Financial protection for lost rental income related to default under a rental agreement.
- Financial support to avoid or minimise other costs that may occur when they make a claim, such as clean-up costs, demolition, lost rental income while the rental property is being rebuilt or repaired, and removal of debris (see the product descriptions in the Appendix for more examples).

Landlord 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 and
third-party comparison sites

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 rental property or contents to be insured. Some of the key acceptance criteria include: the condition and use of the rental property 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.

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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:

- A material change occurs to the cover provided by the product,
- 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.

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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.

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Building Insurance

The Honey Building Insurance product has been designed for people who want to be covered against financial loss caused by an incident involving their rental property 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 a residential building, and lease the residential building to tenants under a residential rental agreement	✗ People who reside in the residential building
✓ Require insurance protection for the residential building and associated risks and legal liabilities	✗ Residential buildings outside of Australia,
	✗ Buildings that are occupied primarily for business/commercial purposes,
	✗ Tenants
	✗ Home units that are under a Body Corporate or Owners Corporation,
	✗ People who own a transportable, caravan or mobile home that require landlord protection

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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”.

Building 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	

Building Insurance – summary of other benefits	
Broken glass – Up to the sum insured	Rent default – Up to \$5,000 after any bond entitlement
Fixtures and fittings – Up to 5% of the sum insured	Investigating leaks – Up to 10% of the sum insured
Lost Rent – Up to 12 months, up to 10% of sum insured	Locks – Up to \$1,000
Design – Up to 10% of the sum insured	Emergency services damage – Up to \$1,000
Legal liability – Up to \$20,000,000	Replacing trees, shrubs, plants & hedges – Up to \$1,000
Lifetime guarantee on authorised repairs	Demolition and removal of debris – Up to 20% of the sum insured
Accidental damage, malicious damage or theft by a tenant – Up to 15% of the sum insured	

Building Insurance – optional benefits
Motor burnout – Up to the sum insured

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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 rental 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:
Own a residential building or home unit who require insurance for contents at their rental property.	Contents kept outside of Australia,
Require insurance protection for their contents and associated risks,	Contents located at residential building that is occupied primarily for business/ commercial purposes,
Own a home unit under a Body Corporate or Owners Corporation and require insurance protection for legal liability and fixtures and fittings	People who require cover for their contents within a home they reside in.
Want the ability to select optional benefits to suit their individual needs.	

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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	
Contents Insurance – summary of other benefits				
Broken glass – Up to the sum insured		Security firm response – Up to \$750		
Accidental damage, malicious damage or theft by a tenant – Up to 15% of the sum insured		Clean up costs – Up to 10% of the sum insured		
Broken glass – Up to the sum insured		Rent default – Up to \$5,000 after any bond entitlement		
Fixtures and fittings – Up to 5% of the sum insured		Lost rent – Up to 12 months, up to 10% of the sum insured		
Security firm response – Up to \$750		Demolition and removal of debris – Up to 20% of the sum insured		
Legal liability – Up to \$20,000,000		Storage costs after an event – Up to 10% of the sum insured		
Locks – Up to \$1,000		Lifetime guarantee on authorised repairs		
Contents – optional benefits				
Motor burnout – Up to the sum insured				