



RentCover® Target Market Determination – RentCover ShortTerm

Underwriter: Zurich Australian Insurance Limited | ABN 13 000 296 640 | AFSL 232507

Product:	RentCover ShortTerm Landlords Insurance PDS
Preparation date:	10 November 2023
Effective date:	1 December 2023
Product reference:	JLOS-021368-2023

This Target Market Determination (TMD) is effective from 1 December 2023 and relates to the RentCover ShortTerm insurance policy offered by RentCover Underwriting Agency Pty Ltd (EBM RentCover) and underwritten by Zurich Australian Insurance Limited (Zurich).

The purpose of this TMD is to provide information about the target market for which this product has been designed.

This TMD is not intended as a consumer-facing disclosure document and does not provide personal advice or form part of the terms and conditions of the product.

We recommend that customers read the relevant Product Disclosure Statement for full details on cover to determine whether the product is appropriate for their objectives, financial situation and needs.

Product Description & Key Attributes

Main covers	Insurance cover	RentCover ShortTerm (contents and home)	RentCover ShortTerm (contents only)
	Home – Insured Events	✓	✗
	Contents – Insured Events	✓	✓
	Loss of Rental Income	✓	✓
	Legal Liability	✓	✓
	Taxation Audit	✓	✓
Key attributes of cover	<p>This product provides:</p> <ul style="list-style-type: none"> › Option to take out cover for a short-term residential rental property and household contents contained within the property or just household contents contained at the rental property as required. › Cover for loss or damage as a direct result of insured events such as <ul style="list-style-type: none"> – fire – storm or rainwater, flood – lightning – earthquake – theft 		

Key attributes of cover

- malicious acts
 - riots or civil commotion
 - escaping liquid
 - impact
 - breakages of fixed glass and certain other items
 - fusion of an electric motor
 - explosion
 - deliberate damage by tenants, their visitors or their family
 - accidental damage
- › Cover for resulting loss of rent following cancellation of a confirmed booking caused by an insured event that occurs during the period of insurance including the death of a guest and prevention of access.
- › Cover for legal liability for:
- a) the death of, or bodily injury to, any person
 - b) the loss of, or damage to, property resulting from specified occurrences

Eligibility Criteria

	This product is suitable for:	This product is not suitable for:
Customers within target market for contents cover	<p>Persons who:</p> <ul style="list-style-type: none">› own a home in Australia that is rented out to tenants up to a maximum of 6 months at a time› own household contents within their residential property intended for their tenant's use› are seeking financial protection against loss or damage to their contents caused by a range of insured events, including deliberate damage by tenants and accidental damage› are seeking to mitigate financial loss for their exposures to loss of rent resulting from specified circumstances› are seeking to mitigate financial loss for their exposures to their legal liability as a result of the circumstances described in the key attributes of cover and certain fees in connection with certain tax audits or investigations› meet the eligibility criteria for the location, building type, use and condition of the property› are able to pay the premiums, and any excess in the event of a claim	<p>Persons who:</p> <ul style="list-style-type: none">› own and live in the home permanently› want to insure a home that is rented out for a period of 6 months or longer› do not own the home they are renting out› have contents within a home they rent from a landlord› do not meet one or more of the eligibility criteria for the location, building type, use and condition of the property

	This product is suitable for:	This product is not suitable for:
Customers within target market for home cover	<p>Persons who:</p> <ul style="list-style-type: none"> › own a home in Australia that is rented out to tenants up to a maximum of 6 months at a time › are seeking financial protection against loss or damage to the premises caused by a range of insured events, including deliberate damage by tenants and accidental damage › are seeking to mitigate financial loss for their exposures to loss of rent resulting from specified circumstances › are seeking to mitigate financial loss for their exposures to their legal liability as a result of the circumstances described in the key attributes of cover and certain fees in connection with certain tax audits or investigations › meet the eligibility criteria for the location, building type, use and condition of the property › are able to pay the premiums, and any excess in the event of a claim 	<p>Persons who:</p> <ul style="list-style-type: none"> › own and live in the home permanently › want to insure a home that is rented out for a period of 6 months or longer › do not own the home they are renting out › want to insure a home that is within a strata-titled building, which is required to be insured by a body corporate or similar › do not meet one or more of the eligibility criteria for the location, building type, use and condition of the property
Customers within the target market for RentCover ShortTerm (contents and home)	<p>Persons who:</p> <ul style="list-style-type: none"> › fall within each of the above target markets for home and contents cover › are seeking financial protection against loss or damage to the premises and household contents left in a rental property caused by a range of insured events, including deliberate damage by tenants and accidental damage › are seeking to mitigate financial loss for their exposures to loss of rent resulting from specified circumstances › are seeking to mitigate financial loss for their exposures to their legal liability as a result of the circumstances described in the key attributes of cover and certain fees in connection with certain tax audits or investigations › meet the eligibility criteria for the location, building type, use and condition of the property › are able to pay the premiums, and any excess in the event of a claim 	<p>Persons who:</p> <ul style="list-style-type: none"> › own and live in the home permanently › want to insure a home that is rented out for a period of 6 months or longer › do not own the home they are renting out › have contents within a home they rent from a landlord › want to insure a home that is within a strata-titled building, which is required to be insured by a body corporate or similar › do not meet one or more of the eligibility criteria for the location, building type, use and condition of the property

	This product is suitable for:	This product is not suitable for:
Location of property	Properties located in Australia	<ul style="list-style-type: none"> › Persons whose residential property is by the sea or coastline and who want insurance for things impacted by the sea, like erosion and rising of sea levels, including high and king tides › Properties located outside of Australia
Building type	A property that is of an acceptable type of building, such as a residential rental property	<ul style="list-style-type: none"> › A commercial premises
Use of the property	A property that is used as a holiday home that is rented out to paying guests up to a maximum of 6 months at a time (for example, via Airbnb or a similar platform where there is no lease agreement)	<p>A property that is:</p> <ul style="list-style-type: none"> › the owner's primary place of residence › used for residential purposes that is rented to tenants under a lease agreement governed by the Residential Tenancy Act in the respective state or territory the property is located in › used to earn an income or operate a business of any kind, other than residential rental income › commercially managed by or used as hotels, motels, resorts, inns or similar venues for accommodation › unoccupied and will continue to be for an indefinite period › not a standard residential home (for example a shipping container, houseboat, or hostel)
Condition of the property	A property that is well-maintained, in a good condition and structurally sound	<p>A property that:</p> <ul style="list-style-type: none"> › is or will be under construction or undergoing renovations, alterations, additions or repairs that involve removal of any part of the roof or an external wall, or impact the structure of a building such as removing or changing supporting walls, underpinning, foundations or piers › is awaiting demolition or in the course of being demolished <p>Persons who:</p> <ul style="list-style-type: none"> › require cover for wear and tear or costs associated with maintenance of their residential rental property › have damage, defects or maintenance needs in the premises which makes damage to the property more likely (for example, termite damage or a leaking roof)

Based on our assessment of the key terms, attributes and eligibility criteria, the insurance cover for short-term rental home and contents is likely to be consistent with the needs, objectives and financial situation of customers in the target market for each type of cover.

Key Exclusions & Limitations

Key exclusions	<p>The premises and contents cover have specific exclusions, including exclusions for:</p> <ul style="list-style-type: none"> › cover for loss or damage intentionally caused by you or a person acting with your consent › structural defects, faulty workmanship or faulty design › wear, tear, rust, corrosion, depreciation, gradual deterioration or age, mildew, mould or algae › loss of income (except for loss of rent from your rental property) <p>Please refer to the PDS for a complete list of policy exclusions.</p>
Limitations	<p>Claims are subject to maximum insured limits and these are set out in the PDS and policy schedule.</p> <p>Other claims limitations and conditions are specified in the PDS and the policy schedule.</p>
Excess	<p>Claims are subject to the payment of an excess, as specified in the policy schedule.</p>
Financial situation	<p>Customers are expected to be able to pay the premium and pay the excess, or an equivalent reduction in claim payments, in the event of a claim. Customers may need to bear the cost of upfront payments for claims before being reimbursed in the limited circumstances where we do not cover losses upfront.</p>
Other key terms	<p>Exclusion periods – any loss or damage caused by erosion, subsidence, landslide or earth movement following an explosion, storm, earthquake, tsunami or escaping liquid, and any loss or damage arising out of or in connection with bush fires, is subject to an exclusion period of 72 hours.</p> <p>Renovations & business use – we reserve the right to cancel the policy cover if during the period of insurance:</p> <ul style="list-style-type: none"> › renovations at the property address take place that involve removing the roof, removing or changing the supporting walls, foundations or piers › you start operating a business or generating regular income (other than rental income) at the property address

Distribution conditions

Distribution restrictions

The RentCover ShortTerm insurance policy has been designed to be distributed through EBM RentCover. EBM RentCover is an authorised representative of Elkington Bishop Molineaux Insurance Brokers Pty Ltd (EBM Insurance & Risk) (ABN 31 009 179 640, AFSL 246986).

- › **Distribution channels.** This product is distributed by EBM RentCover online through its website or by calling its contact centre. It is also distributed by corporate authorised representatives and distributors appointed by EBM Insurance & Risk.

The website and contact centre are monitored by EBM RentCover and staffed by persons who have been trained in the distribution of the product covered by this TMD

- › **Distribution conditions.** This product can only be sold to persons that are eligible for cover in accordance with the application and/or renewal criteria that has been approved in writing by EBM RentCover and which complies with the law (Application Process).

The Application Process has been tailored to identify the target market described in this TMD as part of the eligibility criteria. The use of this Application Process will make it more likely that the product will be acquired by persons within the target market.

Review of this TMD

To keep this TMD up to date, this TMD may be reviewed at any time, including when specific events or circumstances arise that suggest the TMD is no longer appropriate and trigger a review.

Such events and circumstances that may trigger a review include:

- › Customer experience and feedback
- › Claims experience of this product
- › If we make a material change to the cover provided by the product
- › Changes to how we sell this product
- › A material amendment to our product governance framework
- › Amendments to our underwriting guidelines, pricing or reinsurance requirements
- › Feedback or changes in our distribution arrangements
- › Changes to our broker or intermediary arrangements
- › An amendment to laws or guidance from industry bodies

Timeframes of reviews of this TMD

Other than when a review is triggered as above, this TMD will be first reviewed within 12 months of the Date of Determination of this TMD.

After that initial review, it will be reviewed at least every two years thereafter.

We review data and feedback on an ongoing basis and obtain data and feedback from customers and distribution partners to ensure that this TMD is consistent with the target market. We review any significant dealing that is inconsistent with this TMD.

We must report the following information and feedback to us in accordance with the specified timeframes:

Complaints (or customer feedback) including the nature of complaints and number of complaints	Quarterly
Breach of distribution conditions	As soon as practicable but within 10 business days
Significant dealing that is inconsistent with the TMD	As soon as practicable but within 10 business days
Information, such as that from an industry body or regulator, indicating that the product may not be appropriate for the target market	As soon as practicable but within 10 business days



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