

Target Market Determination

EBM Rentcover ShortTerm



QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239 545

This Target Market Determination (TMD) is effective from 05.10.2021 and relates to the EBM Rentcover ShortTerm Product Disclosure Statement (QM858).

This TMD provides QBE's distributors and customers information regarding:

- which class of customers this product is suitable for (the target market) and which class of customers this product is likely to be unsuitable for;
- any distribution conditions for this product;
- reporting obligations and restrictions on distribution of our distributors; and
- the review period and events or circumstances that may trigger a review.

This TMD describes the customers within our target market. This TMD doesn't consider a customer's personal needs, objectives and financial situation.

A customer should always refer to the EBM Rentcover ShortTerm Product Disclosure Statement (PDS), and any Supplementary Product Disclosure Statements (SPDS) that may apply, to ensure the product is right for them.

Landlord (Home)

This product has been designed for customers in the target market to provide financial protection for:

- loss or damage occurring to a residential rental property caused by insured events, such as fire, storm and flood;
- accidental damage to the home;
- loss of rent due to an insured event such as cancellation of a confirmed booking;
- malicious damage by tenants or guests to the home; and
- legal liability for injury to or death of another person and loss of or damage to another person's property occurring at the insured address.

Who is within the Target Market for Landlord (Home)?

Customers within the Target Market (Customers are within the target market if all the following conditions apply)	
✓	Landlords who want insurance for a residential holiday home located in Australia that they use, or rent out to a tenant on casual basis, including short-term rental (for example via Airbnb or similar platform for a period no longer than six months where no lease agreement is in place.
✓	Landlords who want financial protection for: <ul style="list-style-type: none">• loss or damage to their residential rental property;• accidental damage to the home;• loss of rent due to damage by an insured event;• malicious damage by tenants or guests to the home; and• legal liability for:<ul style="list-style-type: none">○ injury to or death of another person; and○ loss of or damage to another person's property occurring at the insured address.

Customers NOT within the Target Market

(Customers are not within the target market if any of the following conditions apply)

X	Customers who own and live in the home.
X	Customers who do not own the home they live in (for example a tenant who rents their home).
X	Landlords who own a unit(s) within a strata type building, which is required to be insured by a body corporate or similar (if they own a strata building, they should check with the strata legislation in their State or Territory for insurance requirements).
X	Landlords whose property is a block of flats.
X	Landlords whose land or building(s) is used to earn an income or operate a business of any kind, other than residential rental income.
X	Landlords whose property is commercially managed by or used as serviced apartments, hotels, motels, resorts, inns or similar venues for accommodation.
X	Landlords whose home is under construction or undergoing renovations, alterations, additions or repairs that: <ul style="list-style-type: none">• 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.
X	Landlords whose home is awaiting demolition or in the course of being demolished.
X	Landlords whose home is left vacant or unoccupied for an indefinite period.
X	Landlords whose property is not a standard residential home (for example a shipping container, houseboat, or hostel).
X	Landlords whose residential home is by the sea or coastline and want insurance for action of the sea events such as erosion and rising of sea levels, including high and king tide.
X	Landlords whose home has damage, defects or maintenance needs which makes damage to the property more likely, for example termite damage or a leaking roof.
X	Landlords who want cover for wear and tear or costs associated with home maintenance.

Landlord (Contents)

This product has been designed for customers in the target market to provide financial protection for:

- loss or damage occurring to their contents in their residential rental property in Australia caused by insured events, such as fire, storm and flood;
- accidental damage to the contents;
- loss of rent due to an insured event such as cancellation of a confirmed booking;
- malicious damage by tenants to the contents; and
- legal liability for injury to or death of another person and loss of or damage to another person's property occurring at the insured address.

Who is within the Target Market for Landlord (Contents)?

Customers within the Target Market (Customers are within the target market if all the following conditions apply)	
✓	Landlords who want cover for household contents in a holiday home that they use, or rent out to a tenant on casual basis, including short-term rental (for example via Airbnb or similar platform) for a period no longer than six months where no lease agreement is in place.
✓	Landlords who want financial protection for: <ul style="list-style-type: none"> • loss or damage to their contents in their residential rental property; • accidental damage to the contents; • loss of rent due to damage by an insured event; • malicious damage by tenants or guests; or • legal liability for: <ul style="list-style-type: none"> ○ injury to or death of another person; and ○ loss of or damage to another person's property occurring at the insured address.

Customers NOT within the Target Market (Customers are not within the target market if any of the following conditions apply)	
X	Homeowners whose contents are within a residential home that they own and live in.
X	Customers whose contents are within a home they rent from a landlord.
X	Landlords whose premises is not a standard residential home (for example a shipping container, houseboat, or hostel).
X	Landlords whose land or building(s) is used to earn an income or operate a business of any kind, other than residential rental income.
X	Landlords whose property is commercially managed by or used as serviced apartments, hotels, motels, resorts, inns or similar venues for accommodation.
X	Landlords whose home is left vacant or unoccupied for an indefinite period.
X	Landlords whose residential home is by the sea or coastline and want insurance for action of the sea events such as erosion and rising of sea levels, including high and king tides.
X	Landlords who want cover for wear and tear or costs associated with maintenance.

Distribution Conditions

This product has been appropriately designed to be distributed through RentCover Underwriting Agency Pty Ltd (RUA). The product and the systems it is distributed through have been designed for a customer seeking insurance through RUA. RUA has taken reasonable steps to understand the key product attributes and align distribution to customers in the target market.

Distribution Restrictions	This product can only be sold via RentCover Underwriting Agency Pty Ltd (RUA), ABN 76 130 218 914, ARN 325630. RentCover Underwriting Agency is an authorised representative of Elkington Bishop Molineaux Insurance Brokers Pty Ltd (EBM), ABN 31 009 179 640, AFSL 246986.
Distribution Conditions	<p>This product can only be sold via a QBE approved application system within the eligibility and underwriting rules.</p> <p>Any quoting outside the system must always be referred to a QBE authorised representative.</p> <p>It can be sold to customers within the target market without the customer being provided with any financial product advice or, with either general or personal advice.</p> <p>Make the TMD available to customers who wish to refer to it.</p>
Distribution Method	<p>This product can be sold via direct contact between the customer and RUA.</p> <p>This product can be sold via an authorised Corporate Authorised Representative or Distributor appointed by Elkington Bishop Molineaux Insurance Brokers Pty Ltd, acting as a representative of a customer (i.e. Property Manager).</p>

Reporting Obligations for Distributors

Distributors of this product are required to provide QBE with complaints information about this product through the agreed complaints submission process including:

- The number of complaints the distributor has received about this product during the reporting period;
- A brief summary about the nature of the complaint raised and any steps taken to address the complaint; and
- Any general feedback our distributor may have received on this product.

Distributors should include sufficient details about the complaint that would allow QBE to identify whether the TMD may no longer be appropriate to the class of customers.

Reporting Period: 6 monthly or as otherwise agreed with the Distributor and no later than 10 business days after the agreed complaints reporting date.

Dealings outside the target market

Distributors of this product need to report to QBE when they become aware a dealing outside the target market that has not been approved by QBE. Their report to QBE must include information such as the date (or date range) the dealing occurred, details about the dealing(s) and any steps or actions taken to mitigate.

Reporting Period: As soon as practicable and, subject to our distribution agreement, no later than 10 business days of the date on which the Distributor became aware of the dealing.

TMD Reviews

Review Period	The initial review of this TMD will occur no later than 2 years from the date this TMD is first published and every 2 years thereafter.
What may trigger a review prior to periodic review	<p>The events or circumstances that may suggest the product is no longer suitable to the target class of customers and would trigger a review (prior to the scheduled periodic review date) include, but are not limited to, QBE becoming aware of:</p> <ul style="list-style-type: none">• a significant increase in the number of complaints relating to the product received by QBE or reported by distributors;• a material change to the product including Product Disclosure Statement, information or assumptions upon which the target market was formulated;• a change of relevant law, regulatory guidance or industry code which has a material effect on the terms or distribution of the product;• the product being distributed and purchased in a way that is significantly inconsistent with this TMD;• adverse trends in policy and claims data indicating the product is not performing as expected by the customer.