



# RentCover® Target Market Determination – RentCover Ultra

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

<b>Product:</b>	RentCover Landlords Insurance PDS
<b>Preparation date:</b>	10 November 2023
<b>Effective date:</b>	1 December 2023
<b>Product reference:</b>	JLOS-021367-2023

This Target Market Determination (TMD) is effective from 1 December 2023 and relates to the RentCover Ultra 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 Ultra
	Premises & Contents (Fixtures & Fittings) – Tenant & Accidental Damage	✓
	Premises – Insured Events	✗
	Contents – Insured Events	✓
	Rent & Legal Expenses	✓
	Legal Liability	✓
	Taxation Audit	✓

## Key attributes of cover

This product provides:

- › Cover for loss or damage to the contents that have been left in a rental premises for the tenant's domestic use as a result of insured events such as:
  - fire and smoke
  - storm, cyclone, rain
  - lightning
  - earthquake or tsunami
  - theft or attempted theft
  - malicious acts
  - riots or civil commotion
  - escaping liquid
  - impact
  - breakages of fixed glass and certain other items
  - fusion of an electric motor
  - power surge
  - damage caused animals or birds
  - damage caused by an explosion.
- › Cover for loss or damage to the rental premises and contents that have been left in the premises for the tenant's domestic use as a result of malicious damage or theft caused by the tenant or accidental damage.
- › Cover for resulting loss of rent following an insured event specific to owning a rental premises that occurs during the period of insurance including an absconding tenant, a defaulting tenant and the death of a tenant.
- › Cover for legal liability for the landlord and owner of the premises in respect of an incident happening during the period of insurance at the insured address which causes death or bodily injury to other people or loss or damage to other people's property.

## 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"><li>› own a premises in Australia that is rented out to tenants</li><li>› own household contents within their residential premises intended for their tenant's use</li><li>› are seeking financial protection against loss or damage to their contents caused by a range of insured events, including malicious damage or theft by a tenant and accidental damage</li><li>› meet the eligibility criteria for the location, building type, use and condition of the premises</li><li>› are able to pay the premiums, and any excess in the event of a claim</li></ul>	<p>Persons who:</p> <ul style="list-style-type: none"><li>› own and live in the premises</li><li>› do not own the premises they are renting out</li><li>› have a dwelling with subtenancy or multiple leases in place</li><li>› have contents within a premises they rent from a landlord</li><li>› do not meet one or more of the eligibility criteria for the location, building type, use and condition of the premises</li></ul>

	<b>This product is suitable for:</b>	<b>This product is not suitable for:</b>
<b>Customers within target market for premises cover</b>	<p>Persons who:</p> <ul style="list-style-type: none"> <li>› own a premises in Australia that is rented out to tenants;</li> <li>› are seeking financial protection for loss or damage to the premises caused by malicious damage or theft by a tenant and accidental damage</li> <li>› meet the eligibility criteria for the location, building type, use and condition of the premises</li> <li>› are able to pay the premiums, and any excess in the event of a claim</li> </ul>	<p>Persons who:</p> <ul style="list-style-type: none"> <li>› own and live in the premises</li> <li>› do not own the premises they are renting out</li> <li>› have a dwelling with subtenancy or multiple leases in place</li> <li>› require insured events cover for the premises beyond malicious damage or theft or accidental damage, such as against loss for or damage caused by fire, storm and flood</li> <li>› do not meet one or more of the eligibility criteria for the location, building type, use and condition of the premises</li> </ul>
<b>Customers within the target market for RentCover Ultra</b>	<p>Persons who:</p> <ul style="list-style-type: none"> <li>› fall within each of the above target markets for contents and premises cover</li> <li>› are seeking financial protection against loss or damage to their household contents left in a rental premises caused by a range of insured events, including malicious damage or theft by a tenant and accidental damage</li> <li>› are seeking limited cover for their premises that is restricted to loss caused by malicious damage or theft by a tenant or accidental damage</li> <li>› are seeking to mitigate financial loss for their exposures to loss of rent resulting from specified circumstances</li> <li>› are seeking to mitigate financial loss for their exposures to their legal liability for: <ul style="list-style-type: none"> <li>a) the death of, or bodily injury to, any person</li> <li>b) the loss of, or damage to, property resulting from specified occurrences.</li> </ul> </li> <li>› meet the eligibility criteria for the location, building type, use and condition of the premises</li> <li>› are able to pay the premiums, and any excess in the event of a claim</li> </ul>	<p>Persons who:</p> <ul style="list-style-type: none"> <li>› own and live in the premises</li> <li>› do not own the premises they are renting out</li> <li>› have a dwelling with subtenancy or multiple leases in place</li> <li>› have contents within a premises they rent from a landlord</li> <li>› require insured events cover for the premises for a wider range of insured events, such as by fire, storm and flood</li> <li>› do not meet one or more of the eligibility criteria for the location, building type, use and condition of the premises</li> </ul>

	<b>This product is suitable for:</b>	<b>This product is not suitable for:</b>
<b>Location of premises</b>	Premises located in Australia	<ul style="list-style-type: none"> <li>› Persons whose premises 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</li> <li>› Premises located outside of Australia</li> </ul>
<b>Building type</b>	A premises that is of an acceptable type of building, such as a residential rental premises	<ul style="list-style-type: none"> <li>› A commercial premises</li> </ul>
<b>Use of the premises</b>	A premises 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 premises is located in	<p>A premises that is:</p> <ul style="list-style-type: none"> <li>› used as a holiday premises that is rented out to paying guests on a casual or short-term basis (for example, via Airbnb or a similar platform where there is no lease agreement)</li> <li>› used to earn an income or operate a business of any kind, other than residential rental income</li> <li>› commercially managed by or used as serviced apartments, hotels, motels, resorts, inns or similar venues for accommodation</li> <li>› unoccupied and will continue to be for more than 90 consecutive days, without prior written approval</li> <li>› not a standard residential premises (for example a shipping container, houseboat, or hostel)</li> </ul>
<b>Condition of the premises</b>	A premises that is well-maintained, in a good condition and structurally sound	<p>A premises that:</p> <ul style="list-style-type: none"> <li>› 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</li> <li>› is awaiting demolition or in the course of being demolished.</li> </ul> <p>Persons who:</p> <ul style="list-style-type: none"> <li>› require cover for wear and tear or costs associated with maintenance of their residential rental premises.</li> <li>› have damage, defects or maintenance needs in the premises which makes damage to the premises more likely (for example, termite damage or a leaking roof)</li> </ul>

Based on our assessment of the key terms, attributes and eligibility criteria, the insurance cover for rental premises 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

<b>Key exclusions</b>	<p>The premises and contents cover have specific exclusions, including exclusions for:</p> <ul style="list-style-type: none"> <li>› cover for loss or damage intentionally caused by you or a person acting with your consent</li> <li>› structural defects, faulty workmanship or faulty design</li> <li>› wear, tear, rust, corrosion, depreciation, gradual deterioration or age, mildew, mould or algae</li> <li>› loss of income (except for loss of rent from your rental property)</li> </ul> <p>Please refer to the PDS for a complete list of policy exclusions.</p>
<b>Limitations</b>	<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>
<b>Excess</b>	<p>Claims are subject to the payment of an excess, as specified in the policy schedule.</p>
<b>Financial capacity</b>	<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>
<b>Other key terms</b>	<p><b>Exclusion periods</b> – 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 bushfires, is subject to an exclusion period of 72 hours.</p> <p><b>Renovations &amp; business use</b> – we reserve the right to cancel the policy cover if during the period of insurance:</p> <ul style="list-style-type: none"> <li>› renovations at the property address take place that involve removing the roof, removing or changing the supporting walls, foundations or piers</li> <li>› you start operating a business or generating regular income (other than rental income) at the property address</li> </ul>

## Distribution conditions

### Distribution restrictions

The RentCover Ultra 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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