

RAC Car Insurance

Target Market Determination

About this Target Market Determination (TMD)

This TMD:

- » is a guide to understand the general suitability of this product,
- » does not consider your personal needs, objectives and financial situation, and
- » provides information and examples but not a complete list of the eligibility or terms, conditions and exclusions that apply to this product.

To fully understand the terms and conditions of this product, you need to read the Product Disclosure Statement (PDS) at rac.com.au/policydocuments and any other policy documents before deciding if this product is suitable for you.

If you are a customer and have already purchased this product, you should review the information we have provided to you whenever your circumstances change, to make sure this product is still right for you.

About this product

The RAC Car Insurance product has been designed to meet the needs of those who wish to protect against a financial loss from the use of their car. For the purposes of this product, cars mean vehicles such as sedans, utilities, 4-wheel drives, vans and people movers, that are registered for use on Australian roads, and are based in Western Australia.

Within this product you can choose one of three levels of cover depending on your objectives, financial situation or needs.

1. Comprehensive Car Insurance

Designed to meet the needs of those who wish to protect against a financial loss if their car is damaged or lost, or causes damage to another person's property for which they are legally liable.

The key features of this product include cover for:

- » Accidental loss or damage to the car, including malicious damage.
- » Loss or damage to the car caused by fire, theft or attempted theft.
- » Some associated costs such as towing and loss of personal effects.
- » A hire car if the car is not available as a result of fire, theft or attempted theft.
- » Liability for accidental damage caused to another person's property arising from an incident which involves the car, or a trailer or caravan attached to it.
- » An amount up to the sum insured, called the agreed value.

In addition, for those who rely on their car as their main mode of transport, optional hire car cover is available to purchase.



Insurance
For the better

2. Third Party Fire and Theft Car Insurance

Designed to meet the needs of those who only wish to protect against a financial loss if their car is damaged or lost through fire, theft or attempted theft; or causes damage to another person's property for which they are legally liable. In addition, it is designed for those with cars valued up to a maximum of \$15,000:

- » Who do not expect the car to be repaired or replaced when accidentally damaged in other situations, such as a collision or storm.
- » Where the value of the car is less than the total of:
 - > the premium payable for comprehensive car insurance cover, and
 - > the excess applicable to a claim.

The key features of this product include cover for:

- » Loss or damage to the car caused by fire, theft or attempted theft.
- » A hire car if the car is not available as a result of fire, theft or attempted theft.
- » Liability for accidental damage caused to another person's property arising from an incident which involves the car, or a trailer or caravan attached to it.
- » Damage to the insured car caused as a result of a collision with an uninsured vehicle for up to a maximum of \$5,000.

3. Third Party Property Damage Car Insurance

Designed to meet the needs of those who only wish to protect against a financial loss if their car causes damage to another person's property for which they are legally liable. In addition, it is designed for those with lower value cars:

- » Who do not expect the car to be repaired or replaced when accidentally damaged.
- » Where the value of the vehicle is less than the total of:
 - > the premium payable for comprehensive or third party, fire and theft cover, and
 - > the excess applicable to a claim.

The key features of this product include cover for:

- » Liability for accidental damage caused to another person's property arising from an incident which involves the car, or a trailer or caravan attached to it.
- » Limited cover for damage to the car caused as a result of a collision with an uninsured vehicle for up to a maximum of \$5,000.

Who these products are not suitable for

The covers available with RAC Car Insurance are not suitable if the car is:

- » Driven by someone who does not have a valid licence to drive in Australia.
- » Not roadworthy, registered or does not meet the relevant transport regulations.
- » Hired out.
- » Used as a chauffeur, taxi, limousine or charter service.
- » Used to deliver goods for a fee.

RAC Car Insurance may not be right for you if

- » You require cover for flood, storm or bushfire within 48hrs of purchasing this product, as cover for these events is not provided within this timeframe, unless the car is a new purchase, or was continuously insured until this policy was taken out.
- » You use your car to carry goods or tools for your work, as this product does not cover goods, tools of trade or samples, or any containers they are carried in.
- » The car is used for ridesharing as limits are imposed on the amount of time you can use the car for this purpose. If you exceed that limit, you will not have cover under this product.

When you complete a quote, or buy RAC Car Insurance, you will be asked a number of questions that help to determine if you are within the target market for this product and if we will insure you and your car. You should always answer these questions accurately and check with us if you are not sure what a question means. Providing an incorrect answer may result in you purchasing a product that isn't suited to your objectives, financial situation or needs.

Distribution conditions

RAC Car Insurance can only be purchased from our Call Centre, Member Service Centre or via the website: **rac.com.au**. Our distribution channels have measures in place to ensure our products are distributed in line with this TMD.

RAC Distribution Pty Ltd is a distributor of this product and is required to provide information regarding sales activity to RAC Insurance Pty Limited. This information includes sales performance data, complaints and any occasions where this product has been sold contrary to this TMD or if they become aware this TMD is no longer suitable. This information must be provided on a quarterly basis. If RAC Distribution Pty Ltd becomes aware of a significant dealing in this product which is not consistent with this TMD, they must notify RAC Insurance Pty Limited within 10 business days.

RAC Insurance Pty Limited also distributes this product and meets the obligations set out under this TMD.

Reviewing this document

We will review this TMD if:

- » There are amendments to our Product Disclosure Statement that change the cover provided.
- » New restrictions are introduced on what we will insure.
- » There is a material change in the criteria of the risks we accept.
- » We introduce other ways in which our products are sold.
- » We identify there may be a product suitability issue following reviews of our complaint and claims data.
- » We or our distributor identify a significant dealing that is not consistent with this TMD.
- » There are material changes to our product suitability metrics such as:
 - > member satisfaction;
 - > product acceptance; or
 - > financial performance.

This TMD will be reviewed and updated no later than every two years from the effective date.

Questions

If you have any questions about our products or this Target Market Determination, please contact us on **13 17 03**.

Effective Date: 25th August 2021
Issuer: RAC Insurance Pty Limited (ABN: 59 094 685 882)
AFSL: 231222



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