

RAC Basic Contents 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 Basic Contents and Personal Valuables Insurance product has been designed to meet the needs of those who wish to protect against a financial loss from a specified event damaging their household goods, personal belongings and fixtures located in a private domestic building in Western Australia. The cover limit is \$25,000. Examples of the types of consumers who may be suited to this product include tenants of dwellings furnished by the landlord, singles living in small apartments, residents of self-contained retirement dwellings or owners of a dwelling within a strata title property.

In respect of the key attributes of this product, RAC Basic Contents and Personal Valuables Insurance covers loss of, or damage to contents caused by fire, theft or attempted theft:

- » At the site - with 4 levels of cover available ranging from \$10,000 to \$25,000.
- » From secure storage up to \$5,000.
- » From open air storage at the site up to \$500.

Cover is also provided for strata title owner's or tenants' fixtures and structural improvements on the site up to \$5,000 if these items are not insured by the building's strata insurance policy.

Another key attribute of RAC Basic Contents and Personal Valuables Insurance is legal liability cover for tenants if they become liable for the death of or bodily injury to any person (other than the home owner or their family), and loss or damage to someone else's property anywhere in Australia. If the consumer is the owner and occupier, legal liability cover is provided outside the site in Australia, unless the property falls under a strata title scheme where legal liability cover is extended to also include claims for events within the common property.

RAC Basic Contents and Personal Valuables Insurance also provides optional cover for purchase, to meet the needs of Basic Contents policyholders who:

- » Have valuable portable personal items such as jewellery, watches, glasses, electronic devices and sporting equipment.
- » Wish to protect those items against a financial loss through accidental loss or damage anywhere in Australia (see Personal Valuables TMD for further information rac.com.au/policydocuments).



Insurance
For the better

Who this product is not suitable for

This product is not suitable for contents owners:

- » Whose contents are not reasonably protected or if the building is left unoccupied for more than 60 consecutive days.
- » Who keep illegal drugs, flammable liquids, chemicals used in illegal drug manufacture or explosives at the site illegally.
- » Whose contents are located in a building that is primarily used for business, farming or commercial purposes.
- » Whose building is undergoing repair or renovation and the contents are not protected against theft.
- » Who live in a house as tenants with more than three occupants that are unrelated.
- » Those who require cover for their valuables whilst being used in connection with any business, trade or profession or if they are left unattended in a public place.

RAC Basic Contents and Personal Valuables Insurance may not be right for you if

- » You own the building and require cover for damage to the building, you should consider if additional cover is required from other insurances.
- » You are the landlord and require cover for rental default and damage by the tenant you should consider if additional cover is required from other insurances.
- » You operate a business, trade or profession in the building, additional insurances may be required.
- » 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 contents were continuously insured before this policy was taken out.
- » You own valuable personal items, you should check if this product is right for you. Basic Contents Insurance limits the amount paid following a claim for some items, such as jewellery, bicycles and home office equipment.

When you complete a quote, or buy RAC Basic Contents and Personal Valuables 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 contents. 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

If you are an owner occupier of the home, RAC Basic Contents and Personal Valuables Insurance can only be purchased from our Call Centre or Member Service Centre. Otherwise it can also be purchased via our 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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