

# RAC Building 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](http://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

Building insurance is one of the covers available for purchase through RAC's Building, Contents and Personal Valuables Insurance product. RAC Building Insurance has been designed to meet the needs of those who wish to protect against a financial loss that may result from a specified event damaging their home building located in Western Australia.

For this product, "building" includes the private domestic residence and other structures at the site, including permanent internal and external fixtures and fittings and structural improvements.

A key feature of RAC Building Insurance is cover for specified events such as:

- » Fires.
- » Storms, including hail, lightning and flood.
- » Earthquakes.
- » Theft and attempted theft.
- » Impact of a vehicle.

When the building has been damaged by a specified event such as those above:

- » Temporary accommodation is also included for the permanent home dweller, while the building is being repaired or rebuilt.
- » Rental cover is provided for up to 12 months when tenants cannot live in the building due to a claim covered under this policy.
- » Reasonable costs of demolition, debris removal and locating the cause of damage is payable.

Another key feature of RAC Building Insurance is legal liability cover. This provides protection to the home owner if they become liable for damage to someone else's property, or death of or bodily injury to any person (other than the home owner or their family) at the site.

### Who this product is not suitable for

This product is not suitable where the building is:

- » Not kept in good repair and condition, or is not structurally sound, watertight, secure and well maintained.
- » Primarily used for the purposes of business, trade or profession.
- » In a single tier strata scheme in a complex of more than 6 buildings.
- » Used for short-term rentals, such as hotels, motels, boarding houses or bed and breakfasts.
- » Rented out as an investment property and cover is required for rent default and malicious damage by the tenants.



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## RAC Building 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 home was continuously insured before this policy was taken out.
- » Your building has asbestos material, because the product does not include cover for damage to, or loss of use of the property, or liability cover, if the loss or damage is related to asbestos, unless specifically noted on the policy schedule.
- » You carry out structural alterations or renovations (including repairs) at the site that cost more than \$50,000, you will need to tell RAC before you commence works to determine whether cover for your home is affected.
- » Your property is likely to be affected by the action of the sea, high tide or tsunami as this product does not provide cover for these events.

When you complete a quote, or buy RAC Building 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 home. 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.

If you are considering bundling building insurance cover with contents and/or personal valuables insurance cover you should refer to each of the TMD's to make sure they meet your needs.

## Distribution conditions

RAC Building Insurance can only be purchased from our Call Centre, Member Service Centre or via the website: [rac.com.au](http://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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