

# RAC Landlord's 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

The RAC Landlord's Insurance product has been designed to meet the needs of those who wish to protect against a financial loss that may result from tenants, or a specified event, damaging their Western Australian home building which is rented to a tenant.

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 Landlord's Insurance is cover for specified events such as:

- » Fires.
- » Storms, including hail, lightning and flood.
- » Earthquakes.
- » Theft and attempted theft.
- » Impact of a vehicle.
- » Loss of rent where a tenant defaults on rent (for a maximum of 12 weeks).
- » Accidental breakage of glass.

When the building is damaged by a specified event, other key attributes are provided such as:

- » Up to 12 months loss of rent when the tenant cannot live in the building while it is being repaired or rebuilt.
- » Building compliance fees and costs.
- » Costs to remove drug residues.

Another key feature of RAC Landlord's Insurance is legal liability. 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.

This product is not suitable where the building is:

- » Primarily used for the purposes of a business, trade or profession.
- » Used for short-term rentals, including hotels, motels, boarding houses or bed and breakfasts.

RAC Landlord's Insurance also provides optional contents insurance for purchase. This option has been designed to meet the needs of landlord's insurance policyholders who also wish to protect against a financial loss that may result from tenants, or a specified event, damaging the contents of their tenanted home.



**Insurance**  
For the better

Under this product, "contents" include items left for the tenants use such as furniture and furnishings, carpets, and domestic appliances that are not built in.

In respect of the key features, RAC Contents Insurance provides cover for loss of, or damage to contents by specified events such as:

- » Fire.
- » Storm, including hail, lightning and flood.
- » Earthquake.
- » Theft, including theft by the tenant or their guest.
- » Malicious damage including malicious damage by the tenant or their guest.
- » Impact of a vehicle.

### **Who this product is not suitable for**

RAC Landlord's Insurance is not suitable for landlord's where the home is:

- » Not kept in good repair and condition, or is not structurally sound, watertight, secure and well maintained or where reasonable protection for the building or contents cannot be provided.
- » Used for short-term rentals, including hotels, motels, boarding houses or bed and breakfasts.

### **RAC Landlord's 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.
- » You do not have a written rental agreement in place with your tenant you should consider if this product is right for you because you will not have cover for malicious damage, theft or attempted theft involving the tenant.
- » 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.
- » Your building has asbestos material, because this 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.

When you complete a quote, or buy RAC Landlord's 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

### **Distribution conditions**

RAC Landlord's 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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