

RAC Motorcycle 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 Motorcycle Insurance product has been designed to meet the needs of those who wish to protect against a financial loss from the use of their motorcycle. For the purposes of this product, motorcycles include scooters and electric mobility vehicles such as electric wheelchairs and electric mobility scooters.

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

1. Comprehensive Motorcycle Insurance

Designed to meet the needs of those who wish to protect against a financial loss if their motorcycle 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 motorcycle, including malicious damage.
- » Loss or damage to the motorcycle caused by fire, theft or attempted theft.
- » Some associated costs such as towing and loss or damage to helmets, protective clothing and personal belongings.
- » Liability for accidental damage caused to another person's property arising from an incident which involves the motorcycle.
- » An amount up to the sum insured, called the agreed value.

In addition, for those who use their motorcycle as a courier or for food delivery, cover can be extended to provide protection whilst the motorcycle is used for these purposes.

For electric mobility owners:

- » The above cover for motorcycle applies to an electric mobility scooter/wheelchair.
- » Legal liability cover is extended to include bodily injury resulting from an accident caused by or connected with the use of the electric mobility scooter/wheelchair.
- » Only comprehensive cover is available.



Insurance
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2. Third Party Fire and Theft Motorcycle Insurance

Designed to meet the needs of those who only wish to protect against a financial loss if their motorcycle 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:

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

The key features of this product include cover for:

- » Loss or damage to the motorcycle caused by fire, theft or attempted theft.
- » Liability for accidental damage caused to another person's property arising from an incident which involves the motorcycle.
- » Damage to the insured motorcycle caused as a result of a collision with an uninsured vehicle for up to a maximum of \$5,000.

In addition, for those who use their motorcycle as a courier or for food delivery, cover can be extended to provide protection whilst the motorcycle is used for these purposes

3. Third Party Property Damage Motorcycle Insurance

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

- » Who do not expect the motorcycle to be repaired or replaced when accidentally damaged.
- » Where the value of the motorcycle is less than the total of:
 - > the premium payable for comprehensive or third party, fire and theft cover,
 - > 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 motorcycle.
- » Limited cover for damage to the motorcycle caused as a result of a collision with an uninsured vehicle for up to a maximum of \$5,000.

In addition, for those who use their motorcycle as a courier or for food delivery, cover can be extended to provide protection whilst the motorcycle is used for these purposes.

Who these products are not suitable for

The covers available with RAC Motorcycle Insurance are not suitable if the motorcycle is:

- » Ridden by someone who does not have a valid licence to drive in Australia where a license is required by law.
- » Not roadworthy or does not meet the relevant transport regulations.
- » Used for business purposes.
- » Used for racing or used in a reckless or dangerous manner.
- » Hired out.
- » Used to deliver goods for a fee unless optional courier or food delivery cover is purchased.

RAC Motorcycle 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 motorcycle is a new purchase, or was continuously insured until this policy was taken out.

When you complete a quote, or buy RAC Motorcycle 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 motorcycle. 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 Motorcycle Insurance can only be purchased from our Call Centre, Member Service Centre or via the website: rac.com.au. Electric mobility can only be purchased from our Call Centre or Member service centre. 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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