



## Target Market Determinations (TMD's)

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# 1. TMD - RAC Domestic Comprehensive Travel Policy

**Product:** RAC Domestic Comprehensive Travel Policy

**Publication Date of TMD:** May 2023

**Issuer:** Tokio Marine & Nichido Fire Insurance Co., Ltd. (**Tokio Marine**) ABN 80 000 438 291

**AFSL:** 246548

## Designing of the TMD

### **What is a Target Market Determination (TMD)?**

A TMD is a determination that Tokio Marine has prepared to describe the class of customers which this product has been designed for and comprises of matters relevant to the distribution and review of this product.

This document provides the necessary information to assist Tokio Marine's customers, staff, and their distributors in understanding the TMD.

### **Product/s to which this TMD applies**

This TMD applies to the RAC Domestic Comprehensive Travel Policy described in the Product Disclosure Statements listed in Appendix 1 (**PDSs**) that have been issued. The information in this TMD is general only and it is also not a full summary. Please read the Product Disclosure Statement (**PDS**) and any other relevant documents for full details of the Insurance.

### **Target Market for the product under this TMD**

The Target Market for the RAC Domestic Comprehensive Travel Policy is outlined below:

Australian Residents over the age of 18, provided:

- The policy is purchased before the beginning of the trip; and
- The trip must be wholly within Australia.

Temporary Residents over the age of 18, provided:

- They hold a current Australian Visa (not a tourist, study or working holiday visa) that will remain valid beyond the period of their return; and
- They hold a return ticket; and
- They have a primary place of residence in Australia that they intend to return to; and
- The policy was purchased before the beginning of the trip; and
- The trip must be wholly within Australia.

The RAC Domestic Comprehensive Travel Policy is designed for travellers going on a single trip up to a maximum of 365 days entirely within Australia, arriving and departing the home of the policyholder. This product allows up to two (2) adults that do not need to be related and unlimited number of their children and grandchildren aged 25 and under.

The product is targeted to those that are travelling for leisure purposes. The product is not suitable for individuals without a known itinerary such as prebooked accommodation, or extreme sport thrill takers.

The product does not include any medical or evacuation cover as Tokio Marine is a general insurer and cannot cover medical costs in Australia. The key benefits provided within the product include, Cancellation Fees & Lost Deposits cover, Emergency Worker Leave, Emergency expenses, Rental Vehicle Excess and loss, theft, or damage of Luggage.

### **Optional Add-on Features**

This product also offers add-on **Medical Condition** feature. If there is a Medical Condition that does not meet the automatically covered criteria, an online medical assessment needs to be completed. If this condition is accepted by the Issuer, an additional premium payment will be required to provide cover for this condition. This will be shown on the Certificate of Insurance.

This product offers add-on **Ski and Winter Sports** feature for an additional premium. When including the Ski and Winter Sports Option, the following benefits are included within the policy coverage; Snow Ski Equipment Hire, Ski Pack, Bad Weather and Avalanche and Lift Pass coverage. The Ski and Winter Sports feature is suitable for individuals between the ages of 18 and 85.

The RAC Domestic Comprehensive Policy can include either the Ski and Winter Sports or the Medical Condition add-on feature, or it can include both if selected, or neither.

### **Domestic Cancellation Policy**

The RAC Domestic Comprehensive Policy can be purchased as a Domestic Cancellation policy. The only benefit provided within this product is the Cancellation Fees and Lost Deposits cover for up to \$1,000 per adult. This product is designed for travellers going on a short, low-cost trip and only requiring coverage for cancellation. This policy also offers the add-on Medical Condition feature. However, the Ski and Winter Sports add-on feature is unavailable.

### **Rental Vehicle Excess**

The RAC Domestic Comprehensive Policy can also be purchased as a Rental Vehicle Excess only policy. The only benefits provided within this product is for the rental vehicle insurance excess costs or the costs of repairs to the vehicle if there is an accident or a theft. This product is designed for travellers using a rental vehicle to travel within Australia. The add-on features of Ski and Winter Sports and Medical Conditions are unavailable on this policy.

### **Review of the TMD**

The Issuer will review this document in the following periods:

- a) **First review period:** Following the commencement of the TMD, an initial review of the determination will occur no later than 24 months after that date
- b) **Ongoing review periods:** A review of the TMD will occur at least every two (2) years following the first review period
- c) **Immediate Reviews:** Outside of the identified review period timeframes this document may be reviewed more regularly if circumstances arise to trigger a review. This may include but is not limited to:
  - Any material changes to the design of the product;

- Any material changes to the distribution of the product (including if existing distribution conditions are no longer appropriate);
- Any material changes to acceptance or underwriting criteria;
- If there is a significant dealing outside of the defined target market;
- An occurrence of an external event including political and global events, regulatory attention, or adverse media coverage;
- Discovery of a material defect in the PDS for the product;
- Significant number of complaints or feedback from customers;
- Significant changes to indicators including complaints, claims and loss ratios;
- Feedback from a regulator, the Code Governance Committee (CGC) or Australian Financial Complaints Authority (AFCA) to strongly suggest this TMD is no longer appropriate;
- Distribution of the product would cease if it were misaligned with this TMD.

### **Distribution of the Product**

#### **Distribution Conditions**

These conditions will be applied to this product when it is being distributed:

- All distributors are to be authorised by the Issuer to distribute this product;
- This product must only be distributed in accordance with this TMD;
- Distribution of this product must comply with any specific channel distribution requirements;
- The TMD must be current and not subject to any ASIC action that might suggest that the TMD or the product is no longer appropriate.

#### **Reporting Complaints by Distributors**

Distributors of the products need to provide the Issuer information related to the complaints made about this product on a quarterly basis. Information related to the complaints may include, but is not limited to, the nature and number of complaints, complaints relating to claims, complaints relating to sales service, complaints regarding the product.

Distributors are required to provide to the Issuer all complaints information within 10 business days of the end of the complaints reporting period.

#### **Record Keeping by Distributors**

Distributors will maintain records of policy and pricing platforms to ensure that this product is sold in a manner consistent with this TMD. Records of marketing campaigns and advertisement placements will also be kept.

#### **Financial Suitability**

This product is suitable for a person who is able to pay the premium in accordance with the chosen benefit limit, including any add-on feature selected, with that individual having regard to their own personal circumstances and vulnerability or hardship considerations.

## 2. TMD - RAC International Single Trip Policy

**Product:** RAC International Single Trip Policy

**Publication Date of TMD:** May 2023

**Issuer:** Tokio Marine & Nichido Fire Insurance Co., Ltd. (**Tokio Marine**) ABN 80 000 438 291

**AFSL:** 246548

### **Designing of the TMD**

#### **What is a Target Market Determination (TMD)?**

A TMD is a determination that Tokio Marine has prepared to describe the class of customers which this product has been designed for and comprises of matters relevant to the distribution and review of this product.

This document provides the necessary information to assist Tokio Marine's customers, staff, and their distributors in understanding the TMD.

#### **Product/s to which this TMD applies**

This TMD applies to the RAC International Single Trip Policy described in the Product Disclosure Statements listed in Appendix 1 (**PDSs**) that have been issued. The information in this TMD is general only and it is also not a full summary. Please read the Product Disclosure Statement (**PDS**) and any other relevant documents for full details of the Insurance.

#### **Target Market for the product under this TMD**

The Target Market for the RAC International Single Trip Policy is outlined below:

Australian Residents over the age of 18, provided:

- The policy is purchased before the beginning of the trip; and
- The trip begins and ends in Australia.

Temporary Residents over the age of 18, provided:

- They hold a current Australian Visa (not a tourist, study or working holiday visa) that will remain valid beyond the period of their return; and
- They hold a return ticket; and
- They have a primary place of residence in Australia that they intend to return to; and
- The policy was purchased before the beginning of the trip; and
- The trip begins and ends in Australia.

The RAC International Single Trip Policy is designed for travellers going on a single trip up to a maximum of 365 days departing from and returning to Australia. The product allows up to two (2) adults that do not need to be related and unlimited number of their children and grandchildren aged 25 and under.

The product is targeted to those that are travelling for leisure purposes. The product is not suitable for individuals without a known itinerary such as prebooked accommodation, or extreme sport thrill takers.

Some of the key features, depending on the type of benefit limit selected (see below “Types of Benefit Limits”), within the product include, Cancellation Fees & Lost Deposits cover, Cover for Overseas Medical, Hospital, Cash in Hospital, Dental and Related Expenses, Emergency Expenses, Rental Vehicle Excess and loss, theft, or damage of Luggage.

### **Optional Add-on Features**

This product also offers add-on **Medical Condition** feature. If there is a Medical Condition that does not meet the automatically covered criteria, an online medical assessment needs to be completed. If this condition is accepted by the Issuer, an additional premium payment will be required to provide cover for this condition. This will be shown on the Certificate of Insurance. This product offers add-on **Ski and Winter Sports** feature for an additional premium. When including the Ski and Winter Sports Option, the following benefits are included within the policy coverage; Ski Overseas Medical and Hospital, Equipment Hire, Ski Pack, Piste Closure, Bad Weather and Avalanche and Lift Pass. The Ski and Winter Sports feature is suitable for individuals between the ages of 18 and 85.

This product also offers an add-on **Cruise** feature for an additional premium. When this is included, coverage will include benefits for international ocean and river cruising. If an individual is going on a cruise which is only in Australian waters or calling into ports in Australia and require medical cover whilst on board the ship, they are required to select Australian Cruise as the destination. When selecting this option, international policy options and benefits will be offered. When this is included, coverage for medical and evacuation benefits whilst at sea will be provided. However, not provided if visiting a medical provider whilst in port in Australia.

### **Types of Benefit Limits**

There are three levels of benefit limits when purchasing the RAC International Single Trip Policy.

#### **1. International Single Trip - Comprehensive**

The Comprehensive benefit limit provides the highest dollar value benefit limits of unlimited for Cancellation Fees and Lost Deposits, Overseas Medical, Hospital and Overseas Dental as well as unlimited dollar value benefit for Emergency Expenses (terms and conditions, sub-limits and exclusions may apply). The Comprehensive benefit limit is also the only benefit limit which provides coverage for all the benefits within the RAC International Single Trip Policy product.

Comprehensive benefit limit can include one or more of the Ski and Winter Sports, Cruise, or Medical Condition add-on feature, if selected, or none.

#### **2. International Single Trip - Essentials**

The Essentials benefit limit provides unlimited dollar value benefit limits for only Overseas Medical and Hospital benefits (terms and conditions, sub-limits and exclusions may apply). The Essentials benefit limit does not provide benefits for Domestic Pets or Domestic Services.

Essentials benefit limit can include one or more of the Ski and Winter Sports, Cruise, or Medical Condition add-on feature, if selected, or none.

#### **3. International Single Trip - Medical Only**

The Medical Only benefit limit only provides unlimited dollar value benefit limits for Overseas Medical and Hospital. Other benefits include; Cash in Hospital, Dental and Related Expenses,

Overseas Funeral Expenses, Emergency Expenses, loss, theft or damage of Luggage and Legal Liability.

The Medical Only benefit limit also only includes Medical Condition and Cruise as an add-on feature, if selected. Ski and Winter Sports is unavailable.

## **Review of the TMD**

The Issuer will review this document in the following periods:

- a) **First review period:** Following the commencement of the TMD, an initial review of the determination will occur no later than 24 months after that date
- b) **Ongoing review periods:** A review of the TMD will occur at least every two (2) years following the first review period
- c) **Immediate Reviews:** Outside of the identified review period timeframes this document may be reviewed more regularly if circumstances arise to trigger a review. This may include but is not limited to:
  - Any material changes to the design of the product;
  - Any material changes to the distribution of the product (including if existing distribution conditions are no longer appropriate);
  - Any material changes to acceptance or underwriting criteria;
  - If there is a significant dealing outside of the defined target market;
  - An occurrence of an external event including political and global events, regulatory attention, or adverse media coverage;
  - Discovery of a material defect in the PDS for the product;
  - Significant number of complaints or feedback from customers;
  - Significant changes to indicators including complaints, claims and loss ratios;
  - Feedback from a regulator, the Code Governance Committee (CGC) or Australian Financial Complaints Authority (AFCA) to strongly suggest this TMD is no longer appropriate;
  - Distribution of the product would cease if it were misaligned with this TMD.

## **Distribution of the Product**

### **Distribution Conditions**

These conditions will be applied to this product when it is being distributed:

- All distributors are to be authorised by the Issuer to distribute this product;
- This product must only be distributed in accordance with this TMD;
- Distribution of this product must comply with any specific channel distribution requirements;
- The TMD must be current and not subject to any ASIC action that might suggest that the TMD or the product is no longer appropriate.

### **Reporting Complaints by Distributors**

Distributors of the products need to provide the Issuer information related to the complaints made about this product on a quarterly basis. Information related to the complaints may include, but is not limited to, the nature and number of complaints, complaints relating to claims, complaints relating to sales service, complaints regarding the product.

Distributors are required to provide to the Issuer all complaints information within 10 business days of the end of the complaints reporting period.

#### **Record Keeping by Distributors**

Distributors will maintain records of policy and pricing platforms to ensure that this product is sold in a manner consistent with this TMD. Records of marketing campaigns and advertisement placements will also be kept.

#### **Financial Suitability**

This product is suitable for a person who is able to pay the premium in accordance with the chosen benefit limit, including any add-on feature selected, with that individual having regard to their own personal circumstances and vulnerability or hardship considerations.

### 3. TMD - RAC Annual Multi-Trip Policy

**Product:** RAC Annual Multi Trip Policy

**Publication Date of TMD:** May 2023

**Issuer:** Tokio Marine & Nichido Fire Insurance Co., Ltd. (**Tokio Marine**) ABN 80 000 438 291

**AFSL:** 246548

#### **Designing of the TMD**

##### **What is a Target Market Determination (TMD)?**

A TMD is a determination that Tokio Marine has prepared to describe the class of customers which this product has been designed for and comprises of matters relevant to the distribution and review of this product.

This document provides the necessary information to assist Tokio Marine's customers, staff, and their distributors in understanding the TMD.

##### **Product/s to which this TMD applies**

This TMD applies to the RAC Annual Multi Trip Policy described in the Product Disclosure Statements listed in Appendix 1 (**PDSs**) that have been issued. The information in this TMD is general only and it is also not a full summary. Please read the Product Disclosure Statement (**PDS**) and any other relevant documents for full details of the Insurance.

##### **Target Market for the product under this TMD**

The Target Market for the RAC Annual Multi Trip Policy is outlined below:

Australian Residents between the ages of 18 and 75, provided:

- The policy is purchased before the beginning of the first trip

Temporary Residents between the ages of 18 and 75, provided:

- They hold a current Australian Visa (not a tourist, study or working holiday visa) that will remain valid beyond the period of their return; and
- They hold a return ticket; and
- They have a primary place of residence in Australia that they intend to return to; and
- The policy was purchased before the beginning of the trip.

The RAC Annual Multi Trip Policy is designed for travellers wanting to take multiple trips over a 12-month period with the maximum trip length of 60 days. Other options include 30 and 45 days. The product is suited for those travelling domestically and internationally over a 12-month period. The product allows up to two (2) adults that do not need to be related and unlimited number of their children and grandchildren aged 25 and under.

The product is targeted to those that enjoy travelling and those taking multiple trips throughout the year. The product is targeted for those that are travelling for leisure purposes. Coverage is for international and domestic travel (provided it is at least 250km from Your Home). The

product is not suitable for individuals without a known itinerary such as prebooked accommodation or extreme sport thrill takers.

The key benefits provided within the product include, Cancellation Fees & Lost Deposits cover, Cover for Overseas Medical, Hospital, Cash in Hospital, Dental and Related Expenses, Emergency Expenses, Rental Vehicle Excess and loss, theft or damage of Luggage.

### **Optional Add-on Features**

This product also offers add-on **Medical Condition** feature. If there is a Medical Condition that does not meet the automatically covered criteria, an online medical assessment needs to be completed. If this condition is accepted by the Issuer, an additional premium payment will be required to provide cover for this condition. This will be shown on the Certificate of Insurance.

This product offers add-on **Ski and Winter Sports** feature for an additional premium. When including the Ski and Winter Sports Option, the following benefits are included within the policy coverage; Ski Overseas Medical and Hospital, Equipment Hire, Ski Pack, Piste Closure, Bad Weather and Avalanche and Lift Pass Coverage.

This product also offers an add-on **Cruise** feature for an additional premium. When this is included, coverage will include benefits for international ocean and river cruising. If an individual is going on a cruise which is only in Australian waters or calling into ports in Australia and require medical cover whilst on board the ship, they are required to select Australian Cruise as the destination. When selecting this option, international policy options and benefits will be offered. When this is included, coverage for medical and evacuation benefits whilst at sea will be provided. However, not provided if visiting a medical provider whilst in port in Australia.

The RAC Annual Multi Trip Policy can include one or more of the Ski and Winter Sports, Cruise, or Medical Condition add-on feature, or if selected, or none.

### **Review of the TMD**

The Issuer will review this document in the following periods:

- a) **First review period:** Following the commencement of the TMD, an initial review of the determination will occur no later than 24 months after that date
- b) **Ongoing review periods:** A review of the TMD will occur at least every two (2) years following the first review period
- c) **Immediate Reviews:** Outside of the identified review period timeframes this document may be reviewed more regularly if circumstances arise to trigger a review. This may include but is not limited to:
  - Any material changes to the design of the product;
  - Any material changes to the distribution of the product (including if existing distribution conditions are no longer appropriate);
  - Any material changes to acceptance or underwriting criteria;
  - If there is a significant dealing outside of the defined target market;
  - An occurrence of an external event including political and global events, regulatory attention, or adverse media coverage;
  - Discovery of a material defect in the PDS for the product;
  - Significant number of complaints or feedback from customers;
  - Significant changes to indicators including complaints, claims and loss ratios;
  - Feedback from a regulator, the Code Governance Committee (CGC) or Australian Financial Complaints Authority (AFCA) to strongly suggest this TMD is no longer appropriate;

- Distribution of the product would cease if it were misaligned with this TMD.

### **Distribution of the Product**

#### **Distribution Conditions**

These conditions will be applied to this product when it is being distributed:

- All distributors are to be authorised by the Issuer to distribute this product;
- This product must only be distributed in accordance with this TMD;
- Distribution of this product must comply with any specific channel distribution requirements;
- The TMD must be current and not subject to any ASIC action that might suggest that the TMD or the product is no longer appropriate.

#### **Reporting Complaints by Distributors**

Distributors of the products need to provide the Issuer information related to the complaints made about this product on a quarterly basis. Information related to the complaints may include, but is not limited to, the nature and number of complaints, complaints relating to claims, complaints relating to sales service, complaints regarding the product.

Distributors are required to provide to the Issuer all complaints information within 10 business days of the end of the complaints reporting period.

#### **Record Keeping by Distributors**

Distributors will maintain records of policy and pricing platforms to ensure that this product is sold in a manner consistent with this TMD. Records of marketing campaigns and advertisement placements will also be kept.

#### **Financial Suitability**

This product is suitable for a person who is able to pay the premium in accordance with the chosen benefit limit, including any add-on feature selected, with that individual having regard to their own personal circumstances and vulnerability or hardship considerations.

## Appendix 1

This TMD applies to the products described in the PDSs listed below and any related Supplementary Product Disclosure Statements (**SPDS**) when made available to customers on or after the applicable Scheduled Commencement Date:

Scheduled Commencement Date	Product Disclosure Statements
22 May 2020	RAC Travel Insurance
17 November 2021	RAC Travel Insurance
10 August 2022	RAC Travel Insurance
31 May 2023	RAC Travel Insurance