

Motor Insurance

Target Market Determination

This Target Market Determination (TMD) is designed to provide consumers, and our distributors and their representatives, with information about who this product has been designed for by describing the class of consumers that comprise the target market for the product and other matters relevant to the product's distribution and review.

In this document:

- “RACQ”, “we”, “us” or “our” refers to RACQ Insurance Limited, AFSL 233082.
- “Honey” refers to Honey Insurance Pty Ltd, AFSL 528244

This document is not a Product Disclosure Statement (PDS) and is not a description of full product terms and features. Please refer to definitions in the PDS.

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Honey Motor Insurance Product

Honey Motor Insurance provides comprehensive insurance for your car, and the level of cover will depend on the optional benefits you have selected.

This TMD sets out the target market for:

- Comprehensive Car Insurance for owners of passenger cars (including 4WDs, SUVs, utilities and vans).

The target market is set out separately in the Appendix to this statement. The likely needs and objectives of consumers in the target market for this product are likely to be met because the product provides:

- Insurance cover that can wholly or partially contribute to the repair or replacement of their car or personal property inside a car, after an incident.
- Financial protection to pay compensation to someone else for loss or damage to that person's property or vehicle or for death or bodily injury which results from an incident that is not covered by compulsory third party insurance.
- Financial support to avoid or minimise other costs that may occur as a result of an incident. Examples include emergency accommodation or travel, and towing and storage (see the product description in the Appendix for more examples).

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Distribution of this product

This product is distributed by our representatives only via our distribution network, being:



Honey's contact centre
by calling **137 137**



Honey's authorised
distribution partners

We have distribution conditions in place designed to help ensure this product is only sold to consumers in the target market.

These conditions include measures such as:

- Suitability and eligibility questions on application, to determine whether the consumer meets the eligibility requirements for the product.
- Risk-based acceptance criteria based on particular features of the customer or car to be insured. Some of the key acceptance criteria include:
 - the type, condition and use of the car, accessories, or modifications.
- Production and distribution of materials that explain and document the covers that are designed for consumers in the target market.
- Analysis of review triggers and other suitability data in the formation of renewal decisions.
- Training and authorisation of representatives in our distribution network for this product. These representatives understand the market this product has been designed for, have been trained in the relevant acceptance criteria, and have the appropriate levels of authority.
- Systems and processes that support our suitability and eligibility assessments, and the delivery of other information relevant to the consumer's understanding of the market for the product.
- Controls on marketing and sales conduct to those outside the target market.

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Reviewing this document

We will review this TMD within 2 years from the effective date, and then within every 2 years from the preceding review, to ensure it remains appropriate. We will also review this TMD if any event or circumstances (called 'review triggers') occur that would reasonably suggest that the determination is no longer appropriate, or the product is no longer consistent with the likely objectives, financial situation and needs of consumers in the target market, such as:

- A material change occurs to the cover provided by the product,
- Our acceptance criteria changes and that impacts the suitability of the product for the target market,
- The distribution of the product changes,
- A relevant and material deficiency in the product's disclosure documentation is discovered,
- Systemic issues or complaints indicate the product is no longer suitable for the described target market,
- Distribution conditions, systematic issues or complaints indicate it is likely that consumers who acquire the product are not in the target market,
- Material and relevant reductions in our key product suitability metrics such as:
 - Customer satisfaction,
 - Product acceptance,
 - Financial performance,
 - Benefits to customers,
 - Product value and affordability.

We will review this TMD within 10 business days of the occurrence of any review trigger.

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Reporting

RACQ and all distributors must record all complaints received about this product on a quarterly basis (Complaints Reporting Period). Distributors are required to provide to us written details of any complaints about the product they have received during the Complaints Reporting Period within 10 business days of the end of the period.

Our distributors are required to provide incident-based reporting on key metrics (see the heading “Reviewing this document”) to allow us to review this TMD.

Distributors are also required to report to RACQ if they become aware of a significant dealing in this product which is not consistent with this TMD within 10 business days of becoming aware of such dealing.

All distributors must report sales data including the number of policies issued, renewed and cancelled on a monthly basis.

Record keeping

RACQ and its distributors will maintain records of the reasonable steps they have taken to ensure that this product is sold in a manner consistent with this TMD.

We will also prepare and maintain complete and accurate records of our decisions, and the reasons for those decisions, in relation to:

- All target market determinations for this product,
- Identifying and tracking review triggers,
- Setting review periods, and
- The matters documented in this TMD.

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Target Market Determination Appendix

Comprehensive Car Insurance

The Honey Comprehensive Car Insurance product has been designed for people who want to be covered against financial loss caused by an incident involving their car and are seeking an appropriate level of cover relevant to their personal circumstances.

This product is suitable for people who:	This product is not suitable for:
✓ Own a car for personal or business use, primarily driven on road	✗ Vehicles that are not a car, station wagon, utility, van or panel van
✓ Require insurance protection for their car and associated legal liabilities	✗ People who require cover for Third party, fire and theft only
✓ Want the ability to select optional benefits to suit their individual needs.	✗ People who require cover for Third Party Liability only
	✗ People who require insurance cover for fleet vehicles
	✗ People who use their car for ride sharing
	✗ People that require cover for private imports
	✗ People that require cover for cars older than 30 years
	✗ People that require cover for cars with an agreed value greater than \$300,000
	✗ Any motor vehicles outside of Australia
	✗ Unregistered or unroadworthy vehicles
	✗ Business use vehicles where cover is needed for tools of trade, stock in trade cover or loss of income

Motor Insurance Target Market Determination Appendix

Product Description Summary

Below is a description of the key terms, features and attributes that affect whether this product is likely to be suitable for the needs of the target market. Refer to the PDS for full details of policy coverage and limits.

- Cover for loss or damage to the insured car, up to the sum insured;
- Third party liability cover for loss or damage to another person's property, or for death or bodily injury caused by the use of the car.
- New car replacement cover where there is a total loss and the insured car is less than 2 years old.
- Lifetime guarantee on authorised repairs by our selected repairer network, as long as the policyholder or a family member owns the vehicle.
- Costs associated with loss or damage to the insured car such as hire car after theft or for a not-at-fault collision (hire car after an accident is an optional benefit), emergency accommodation or travel, towing and storage, removal of debris, and trailer damage.

This product is subject to our acceptance criteria – see key examples described under the heading “Distribution of this product”.