

# HOME CONTENTS & PERSONAL PROPERTY TRANSIT INSURANCE

## Target Market Determination (TMD)

Effective Date: 5 October 2021

### About this document

This TMD applies to the following Product Disclosure Statements and any related Supplementary Product Disclosure Statements:

- AM&T Home Contents & Personal Property Transit Insurance (CARTS) Product Disclosure Statement and Policy Document (POL167BA/CAR); and
- AM&T Home and Contents & Personal Property Transit Insurance (POL165BA/AM&T)

(each a **PDS**) that has been issued by Allianz Australia Insurance Limited ABN 15 000 122 850 AFS Licence No. 234708 (the **Issuer**) through its underwriting agent Allianz Marine & Transit Underwriting Agency Pty Limited ABN 98 155 554 279, AFS Representative No. 423910 (**AM&T**).

The purpose of this TMD is to describe the class of customers for which the products described in the PDSs have been designed, having regard to the likely needs, objectives and financial situation of that class of customers. Examples used in this TMD are illustrative only, and are not intended to be exhaustive.

This TMD is not intended to provide any financial product advice, and does not consider any individual customer's personal needs, objectives or financial situation.

This TMD does not replace the terms and conditions, and disclosures made, in the PDSs. A customer should refer to the applicable PDS before making a decision about a product.

A customer may fall within the target market described in this TMD, but may not meet the underwriting criteria of the Issuer and AM&T on application.

For further information on the Issuer's approach to the distribution and development of products for appropriate target markets go to <https://www.allianz.com.au>.

## A. Target Market

### Product description (including key attributes)

<b>Main cover(s):</b>	<b>Home Contents &amp; Personal Property Transit Insurance:</b> <p>This Product provides financial protection against loss or damage to household contents and/or specified personal property arising from either:</p> <ul style="list-style-type: none"><li>(a) accidental physical loss or damage, or a deliberate act of a third party (<b>accidental loss or damage cover</b>) whilst such items are in transit within Australia, or in transit to or from Australia; or</li><li>(b) the nominated perils listed in the PDS (<b>nominated perils cover</b>) whilst such items are in transit between places within Australia. The listed nominated perils include fire, flood and collision of the vehicle used in the transit of the household goods or personal property.</li></ul> <p>Both the household contents transit cover and personal property transit cover provide cover for a fixed term, which is specified in the policy schedule, and cannot be renewed. No waiting periods apply to the covers available under this Product.</p>
<b>Optional cover(s):</b>	<p>A customer may add the following optional covers to the main cover(s), which are also subject to the limitations and exclusions set out in the PDS:</p> <ul style="list-style-type: none"><li>- <b>Nominated storage cover</b> – extends the main covers to include loss or damage whilst temporarily household contents and/or specific personal property is located in a professional storage facility in Australia. This optional cover does not apply to certain types of items such as boats, caravans, motor vehicles or other similar items.</li></ul>
<b>Key eligibility criteria:</b>	<p><b><u>Accidental loss or damage cover</u></b></p> <p><b>Insured:</b></p> <ul style="list-style-type: none"><li>- or a member of the insured's household, owns the household contents and/or specified personal property which is to be transported;</li><li>- is intending to transport household contents and/or personal property between locations within Australia, from a location within Australia to a location overseas, or from an overseas location to a location within Australia;</li><li>- is using a professional removalist or carrier for the transportation of its household contents and/or specified personal property; and</li><li>- can provide evidence of the pre-shipment condition of any motor vehicle, motor cycle or boat (if any) which is being transported.</li></ul> <p><b>Household contents and/or specified personal property:</b></p> <ul style="list-style-type: none"><li>- items used for domestic purposes, and not commercial purposes.</li></ul> <p><b><u>Nominated perils cover</u></b></p> <p><b>Insured:</b></p> <ul style="list-style-type: none"><li>- or a member of the insured's household, owns the household contents and/or specified personal property which is to be transported;</li><li>- is not eligible for accidental loss or damage cover; and</li><li>- is intending to transport household contents and/or personal property between locations within Australia.</li></ul> <p><b>Household contents and/or specified personal property:</b></p> <ul style="list-style-type: none"><li>- items used for domestic purposes, and not commercial purposes.</li></ul>
<b>Key exclusions:</b>	<p>The PDS for this cover has specific exclusions, including any loss, damage, liability, destruction, cost or expense caused by, arising from or in any way connected with:</p> <ul style="list-style-type: none"><li>(a) for the nominated perils cover, events other than those listed as nominated perils;</li><li>(b) asbestos;</li><li>(c) consequential loss, (including loss of use);</li><li>(d) pre-existing damage or known defects;</li><li>(e) damage occurring after delivery to the final destination;</li><li>(f) delay in transportation, except to the extent covered under the temporary accommodation benefit (see Other Key Terms below);</li><li>(g) moths, insects, rats or other vermin;</li><li>(h) mould (unless a direct result of an insured event);</li><li>(i) inherent nature of the property or normal deterioration;</li></ul>

<p>Key exclusions (cont.):</p>	<p>(j) loss of tone of any musical instrument;</p> <p>(k) loss of or damage to household contents and/or specified personal property already unpacked at the destination named in the schedule;</p> <p>(l) legal seizure;</p> <p>(m) reduction in the value of antiques, paintings and works of art because of repairs;</p> <p>(n) loss of, or the cost of reproducing or re-writing, electronic or other data, records, photographs, files or similar;</p> <p>(o) terrorism, other than during transit and incidental storage;</p> <p>(p) loss of, or damage to, household contents and/or specified personal property if damaged in transit whilst packed inside a vehicle, boat, caravan or trailer which is itself in transit; and</p> <p>(q) a communicable disease, pandemic or epidemic.</p> <p>See also Limitations and Ineligible Persons below.</p>
<p>Limitations:</p>	<p><b>Insured Value</b> – Claims are subject to sums insured limit (as specified on the policy schedule) and other limitations and conditions specified in the PDS.</p> <p><b>Underinsurance</b> – If any items are not insured for their full value, a claim in respect of those items may be reduced proportionately.</p> <p><b>Fulfilment options</b> – Claims may be fulfilled either by repair, replacement (where applicable) or by a cash settlement payment depending on the circumstances and subject to the terms and conditions of the PDS.</p>
<p>Excess:</p>	<p>Claims are subject to the payment of an excess and premium. Premium must be paid in full before the uplift of household contents and/or personal property.</p> <p>Excess may be different depending on whether the transit is within Australia or to or from an overseas location and if the claims relates to a motor vehicle. The excess that applies to any type of claim is specified in the PDS.</p>
<p>Other Key Terms:</p>	<p><b>Additional benefits</b> – in addition to the main cover, the following additional benefits apply. The additional benefits are subject to limitations and exclusions:</p> <ul style="list-style-type: none"> <li>• <b>Delayed unpacking</b> – extension of main cover for 45 days in the event of delayed unpacking.</li> <li>• <b>Temporary accommodation</b> – cover for the costs of temporary accommodation if insured cannot live in their new home because household contents are not delivered to the final destination by the intended delivery date due to loss or damage.</li> <li>• <b>Removal of Debris</b> – for accidental loss or damage cover only, cover for expenses incurred in the removal and/or disposal of damaged household contents or specified personal property.</li> </ul>

## Likely needs, objectives and financial situation

### Accidental loss or damage cover is designed for:

	<p><b>Likely needs and objectives</b></p> <p>Persons that want financial protection for loss or damage to their household contents and/or specified personal property whilst in transit:</p> <p>(a) to and from locations within Australia;</p> <p>(b) to Australia from an overseas location; or</p> <p>(c) from Australia to an overseas location,</p> <p><b>AND DO NOT</b> otherwise have this protection under another existing insurance policy (for example their home contents insurance) or they seek additional protection to what is available under that other existing insurance policy (if any).</p>	<p><b>Likely financial situation</b></p> <p>Persons who are able to pay premiums in accordance with the chosen premium structure, excess in accordance with the chosen excess option.</p>
	<p>Based on our assessment of the key terms, features and attributes, <b>accidental loss or damage cover</b> are likely to be consistent with the needs, objectives and financial situation of customers in the target market.</p>	

## Nominated perils cover is designed for:

 	<p><b>Likely needs and objectives</b></p> <p>Persons that want financial protection for loss or damage to their household contents and/or specified personal property whilst in transit:</p> <p>(a) to and from locations within Australia</p> <p><b>AND DO NOT:</b></p> <ul style="list-style-type: none"><li>- qualify for accidental loss or damage cover;</li><li>- require protection for events other than the nominated perils listed as part of this cover; and</li><li>- otherwise have this protection under another existing insurance policy (for example their home contents insurance) or seek additional protection to what is available under another insurance policy (if any).</li></ul>	<p><b>Likely financial situation</b></p> <p>Persons who are able to pay premiums in accordance with the chosen premium structure, excess in accordance with the chosen excess option.</p>
<p>Based on our assessment of the key terms, features and attributes, <b>nominated perils cover</b> are likely to be consistent with the needs, objectives and financial situation of customers in the target market.</p>		

## B. Ineligible Persons

### Accidental loss or damage cover is not designed for persons who:

	<ul style="list-style-type: none"><li>• do not own (or a member of their household does not own) the household contents and/or specified personal property to be transported;</li><li>• seek protection for the transportation of items that have a commercial purpose, such as plant and machinery and stock in trade;</li><li>• seek protection for the same items on a regular basis, such as the transportation sporting or musical equipment for a calendar of events;</li><li>• seek protection for items whilst in storage outside Australia;</li><li>• are not using a professional removalist or carrier to transport its household contents and/or specified personal property; or</li><li>• cannot provide evidence of the pre-shipment condition of any motor vehicle, motor cycle or boat (if any) which is being transported.</li></ul>
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### Nominated perils cover is not designed for persons who:

	<ul style="list-style-type: none"><li>• do not own (or a member of their household does not own) the household contents and/or specified personal property to be transported;</li><li>• seek protection for the transportation of items that have a commercial purpose, such as plant and machinery and stock in trade;</li><li>• seek protection for the same items on a regular basis, such as the transportation sporting or musical equipment for a calendar of events;</li><li>• seek protection for items that are being stored or transported into or out of Australia.</li></ul>
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## C. Distribution

### Distribution channels

Products under this TMD are distributed through any of the following means:

- in relation to AM&T Home Contents & Personal Property Transit Insurance (CARTS) Product Disclosure Statement and Policy Document Australian Market (POL167BA/CAR), through an exclusive arrangement with Coverforce Complete Insurance Brokers Pty Ltd;
- in relation to AM&T Home and Contents & Personal Property Transit Insurance (POL165BA/AM&T), directly by AM&T to the Issuer's employees only; and
- general advice model

All of these channels are monitored by AM&T (on behalf of the Issuer) and staffed by persons who have been trained in the distribution of the Products covered by this TMD and the Application Process.

### Distribution conditions and restrictions

Products under this TMD can only be issued to customers that are eligible for that cover in accordance with the application that has been approved in writing by the Issuer and which complies with the law (**Application Process**). The Issuer approves the Application Process.

The Application Process has been tailored to identify the Target Market described in this TMD as part of the eligibility criteria for the Products covered by this TMD, and the use of the Application Process would make it more likely that a Product covered by this TMD will be acquired by persons in the Target Market.

Products under this TMD can be distributed by AM&T directly to the Issuer's employees and through Coverforce Complete Insurance Brokers Pty Ltd (**Approved Distributors**). Approved Distributors and their systems and processes are assessed and monitored by AM&T (on behalf of the Issuer), and would therefore make it more likely that the Approved Distributor will comply with the terms of this TMD.

### Distribution information

We require distributors to provide the following information in relation to their distribution of products covered by this TMD:

Complaints	all complaints in relation to this TMD must be supplied to AM&T (on behalf of the Issuer) as soon as reasonably possible, but no later than on a quarterly basis unless AM&T has requested a distributor to report more frequently. This will include written details of the complaints. AM&T must supply all complaint information to the Issuer on a quarterly basis unless the Issuer has requested AM&T to report more frequently.
Sales data	report relevant sales and customer data in relation to this TMD on a quarterly basis to AM&T (on behalf of the Issuer) unless AM&T has requested a distributor to report more frequently. AM&T must supply all sales and customer data to the Issuer on a quarterly basis unless the Issuer has requested AM&T to report more frequently.
Significant dealings	notification to AM&T (on behalf of the Issuer) if they become aware of a significant dealing in relation to this TMD that is inconsistent with this TMD within 10 business days. AM&T must immediately notify the Issuer if it receives a notification of a significant dealing.

### Other

In addition to the distribution conditions, restrictions and information set out above, the Issuer may include other conditions, restrictions and information on the distribution of products under this TMD.

Any additional conditions and restrictions will be notified (in writing) to an Approved Distributor.

## TMD reviews

This TMD shall be reviewed as follows:

First review	Within 12 months from the date of this TMD.
Subsequent reviews	At least every three years after the end of the previous review.
Review triggers	<p>Where an event or circumstance is identified by us or is notified to us that would reasonably suggest the TMD is no longer appropriate. This may include (but is not limited to):</p> <ul style="list-style-type: none"><li>• a material change to the design or distribution of a product, including material changes to policy documentation or the PDS;</li><li>• a material alteration to acceptance criteria or underwriting criteria, and the Application Process;</li><li>• identified systemic issues in the product or the distribution of the product;</li><li>• relevant material external events such as relevant litigation or adverse media coverage;</li><li>• relevant feedback, information or notification received from a distributor, regulator such as ASIC or APRA or other interested parties;</li><li>• significant changes in metrics. These include sales, policy cancellations, lapses in renewals, claims, complaints and loss ratios; and</li><li>• any significant dealings that are inconsistent with the TMD,</li></ul> <p>to the extent these events or circumstances reasonably suggest the TMD is no longer appropriate.</p>