

# Target Market Determination (TMD)

## Comprehensive Car Insurance

Issuer: QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239 545

Product Disclosure Statement (PDS) this TMD relates to	Australia Post Comprehensive Car Insurance QM8723
TMD applies to policies commencing or renewing effective from	17.01.2025
First publication date of this TMD	05.10.2021

### Information included in this TMD

This TMD describes:

- the product and its key attributes
- who this product is suitable for (the target market) and who it is unsuitable for (outside the target market)
- how this product must be distributed, including any conditions and restrictions
- reporting obligations for distributors
- when this TMD will be reviewed.

The TMD doesn't consider a customer's personal needs, objectives, and financial situation. Customers should refer to the Comprehensive Car Insurance PDS, and any Supplementary PDS to ensure the product is right for them.

## Product Description

This product has been designed to provide Comprehensive cover for cars.

It offers:

- Cover for damage to or theft of a car
- Cover for legal liability

Before making a decision about the product, customers should read the PDS. It provides complete information about the insurance coverage, exclusions, excesses, restrictions and conditions, claims processes and the rights and obligations of the customer.

## Product: Comprehensive Car Insurance

### Target Market

This cover is suitable for customers who:

✓	want to insure a passenger vehicle such as a sedan, hatchback, wagon, 4WD, SUV, utility or van.
✓	use their vehicle for: <ul style="list-style-type: none"><li>• private use; or</li><li>• a business use accepted by the Issuer.</li></ul>

This cover is only suitable for customers where **all** the above apply.

This cover is **NOT** suitable for customers who:

✗	want to insure: <ul style="list-style-type: none"><li>• a motorcycle; or</li><li>• a vehicle other than a passenger vehicle e.g. a caravan, bus or heavy commercial vehicle.</li></ul>
✗	use their vehicle to: <ul style="list-style-type: none"><li>• carry passengers for hire, fare or reward – except if used for ridesharing purposes for no more than the agreed average hours per week; or</li><li>• hire to others to use including as part of a car sharing service or platform for reward; or</li><li>• deliver food or other goods for reward.</li></ul>

This cover is not suitable for customers where **any** of the above apply.

## Likely Needs, Objectives and Financial Situation of Customers in the Target Market and consistency with the product's key attributes

Likely need and objectives of customers in the target market	Key Product Attributes consistent with likely needs and objectives of the target market
Cover for damage to, or theft of, their car to reduce the unexpected financial costs to repair or replace their car when it is accidentally or maliciously damaged or stolen.	Provides cover for costs to repair or replace the customer's car if it is accidentally lost or damaged due to incidents such as collision or impact, theft or attempted theft, fire or explosion, weather events (such as hail or flood), malicious damage.
Cover for damage caused to another person's car or property by the use of their car, to reduce the unexpected financial costs they are liable to pay.	Provides cover for loss or damage to another person's vehicle or property the customer is liable to pay arising from the use of the customer's car.
Optional cover to tailor the product to suit their needs.	Customers can choose to add the following optional benefits: <ul style="list-style-type: none"> <li>• Hire Car – Extra</li> <li>• 'No Excess' Windscreen</li> <li>• Choice of Repairer.</li> </ul>

Likely financial situation of customers in the target market	Key Product Attributes consistent with the likely financial situation of the target market
<ul style="list-style-type: none"> <li>• Pay the premiums which may increase from year to year; or</li> <li>• Meet the periodic payment commitments if electing to pay premium in instalments.</li> </ul>	Customers have the choice of: <ul style="list-style-type: none"> <li>• paying the total premium in one annual payment; or</li> <li>• paying the premium in monthly instalments.</li> </ul>
Pay the Basic excess selected and any additional or imposed excesses.	<p>A Basic excess applies to all claims.</p> <p>Customers can choose to:</p> <ul style="list-style-type: none"> <li>• pay more premium to pay less at the time of the claim; or</li> <li>• pay less premium, to pay more at the time of a claim.</li> </ul> <p>Additional excesses that may apply are:</p> <ul style="list-style-type: none"> <li>• age excess</li> <li>• additional driver excess</li> <li>• additional policy excess.</li> </ul>
Bear 100% of the costs that exceed product limits and/or the value of the customer's car which they have insured.	Customers may be faced with bearing a proportion of the costs and/or loss where the additional benefit limits, or amount they have insured their car, have been exhausted.
Pay 100% of the costs upfront prior to being reimbursed for certain Standard Features.	Customers will need to pay the costs upfront for certain Standard Features before being reimbursed, when a claim is accepted, such as: <ul style="list-style-type: none"> <li>• Travel expenses</li> <li>• Emergency accommodation and transport costs</li> <li>• Essential temporary repairs.</li> </ul>

Based on QBE's assessment of the key terms, attributes and eligibility criteria, Comprehensive Car Insurance is likely to be consistent with the needs, objectives and financial situation of customers in the target market.

## Other Key Product Attributes

Key Limits	
Sum Insured	<p>Either:</p> <ul style="list-style-type: none"> <li>the market value, which is the value of the customer's car in their local area immediately before the incident; or</li> <li>if selected, the agreed value for the amount as shown on their policy schedule.</li> </ul>
Legal Liability Limit	\$30,000,000
<p><b>Other policy limits including Standard Feature sub-limits apply</b></p> <p>The insurance cover is subject to maximum insured limits and these are set out in the Certificate of Insurance. Other claims limitations and conditions are specified in the PDS (and any Supplementary PDS).</p>	
Key Exclusions	
Driver	<p>The product does not cover any loss or damage, if the customer's car was being driven by someone:</p> <ul style="list-style-type: none"> <li>driving without a valid driver's licence or not complying with licence conditions; or</li> <li>who is under the influence of alcohol or drugs; or</li> <li>driving when exceeding the legal limit for alcohol and/or drugs.</li> </ul>
Use of the car	<p>The product does not cover any loss or damage if used to:</p> <ul style="list-style-type: none"> <li>carry passengers for hire, fare or reward – except if used for ridesharing purposes for no more than the agreed average hours per week; or</li> <li>hire to others to use including as part of a car sharing service or platform for reward; or</li> <li>deliver food or other goods for reward.</li> </ul>
Reasonable care	<p>There is no cover under the product:</p> <ul style="list-style-type: none"> <li>for failing to secure the car and this contributed to an incident; or</li> <li>for any intentional, reckless or fraudulent acts by the customer or anyone acting with their permission.</li> </ul>
Condition of the car	<p>The product does not cover any loss or damage if the customer's car:</p> <ul style="list-style-type: none"> <li>is in an unroadworthy condition and this contributed to an incident; or</li> <li>is damaged by wear, tear, mould, rust or corrosion, failure of mechanical, structural, electronic or electrical nature.</li> </ul>
Consequential loss	<p>There is no cover for financial or non-financial loss as a consequence of a claim under the product (for example, lost profits or income because the car can't be used).</p>
Death or injury	<p>There is no cover under the product for death or injury.</p>
<p><b>Other policy exclusions apply.</b> Please refer to the PDS (and any Supplementary PDS) for a complete list of policy exclusions.</p>	

## Distribution

This product has been appropriately designed to be distributed through Australian Postal Corporation (Australia Post). The product and the systems it is distributed through have been designed for a customer seeking insurance through Australia Post. Australia Post has taken reasonable steps to understand the key product attributes and align distribution to customers in the target market.

<b>Distribution Restrictions</b>	<b>Comprehensive Car Insurance – QM8723</b> can only be sold by Australian Postal Corporation (APC) ABN 28 864 970 579, AR No: 338646.
<b>Distribution Conditions</b>	<p>Comprehensive Car Insurance – QM8723 can only be sold to persons that are eligible for cover in accordance with the application and/or renewal criteria that has been approved in writing by QBE and which complies with the law (Application Process).</p> <p>The Application Process has been tailored to identify the target market described in this TMD as part of the eligibility criteria. The use of this Application Process will make it more likely that the product will be acquired by persons within the target market.</p> <p>The application process is comprised of the following:</p> <ul style="list-style-type: none"> <li>• A policy administration system with built in underwriting and eligibility controls with knock out questions</li> <li>• QBE Telephone scripts</li> <li>• QBE and staff training</li> <li>• QBE Staff Monitoring program</li> <li>• A Delegated Underwriting Authority program</li> <li>• Public website with product information</li> <li>• Underwriting Guidelines.</li> </ul> <p>It can be sold to customers within the target market without the customer being provided with any financial product advice, or with either general or personal advice.</p> <p>Australia Post must make this TMD available free of charge on request.</p>
<b>Distribution Method</b>	<p>Comprehensive Car Insurance - QM8723 can be sold:</p> <ul style="list-style-type: none"> <li>• Online via <a href="https://auspost.com.au">auspost.com.au</a></li> <li>• Phone call via Australia Post on 13 70 11.</li> </ul>

## Reporting Obligations.

Information	Responsible reporting person	Obligation	Information required to be reported	Reporting Period
<b>Dealings outside the target market</b>	Australia Post and QBE	<p>Australia Post will report to QBE if it becomes aware of a dealing outside of the target market that is inconsistent with the TMD and which QBE has not already approved.</p> <p>QBE will report to the regulator any significant dealing outside the target market that is inconsistent with the TMD.</p>	<ul style="list-style-type: none"> <li>the date (or date range) the dealing occurred;</li> <li>details about the dealing(s);</li> <li>any steps or actions taken to mitigate this dealing; and</li> <li>any steps or actions taken to stop or prevent any further dealings outside the target market from occurring.</li> </ul>	As soon as practicable and, by no later than 10 business days after the date Australia Post or QBE becomes aware of the dealing.
<b>Complaints and feedback</b>	Australia Post and QBE	<p>Australia Post will report to QBE, complaint and feedback information received about the product.</p> <p>QBE will report any complaint or feedback information received about the product.</p>	<ul style="list-style-type: none"> <li>the number of complaints received about this product during the reporting period; and</li> <li>a brief summary about the nature of every complaint received and any steps taken to address the complaint.</li> </ul>	Every month or as otherwise agreed with QBE.
<b>Policy and claims data</b>	QBE	Policy and claims data about the product.	<ul style="list-style-type: none"> <li>Claims Loss Ratio</li> <li>Policy Retention Rate</li> </ul>	Every 3 months.
<b>Orders, direction or feedback from Regulator, Code Governance Committee or AFCA</b>	Australia Post and QBE	Any order, direction or feedback from a regulator, Code Governance Committee or AFCA, related to the product or how it is distributed.		As soon as practicable and, by no later than 10 business days after the date the feedback, direction or order was received.
<b>Periodic Product Reviews Outcomes</b>	QBE	Outcomes from the Periodic Product Reviews conducted.	<ul style="list-style-type: none"> <li>Data reviewed</li> <li>Data analysis outcomes</li> <li>Review outcome decisions</li> </ul>	Every 2 years or sooner if the review was conducted prior.

## TMD Review

Review Period	This TMD will be reviewed 12 months after the date it is first published, and it will be periodically reviewed once every 2 years thereafter.
What may trigger a review prior to periodic review	<p>The events or circumstances that may trigger a review prior to a scheduled periodic review date include QBE becoming aware of:</p> <ul style="list-style-type: none"> <li>the nature or numbers of complaints or feedback provided about the product's design or distribution that indicate significant or systemic issues, reasonably suggesting the TMD is no longer appropriate;</li> <li>a material change to the product (including the PDS and the Application Process) or distribution conditions, or to the information or the assumptions which the target market is based on, which reasonably suggests the TMD is no longer appropriate;</li> <li>a material incident in relation to the product's design and distribution which reasonably suggests the TMD is no longer appropriate;</li> <li>any: <ul style="list-style-type: none"> <li>change of relevant legislation, regulations or regulatory guidance; or</li> <li>direction or order from a regulator, the Code Governance Committee or AFCA related to the design of the product or its distribution,</li> </ul> that reasonably suggests the TMD is no longer appropriate;</li> <li>a significant dealing outside the TMD occurring that reasonably suggests the TMD is no longer appropriate;</li> <li>trends in the following metrics that indicate adverse customer outcomes which reasonably suggest the TMD is no longer appropriate: <ul style="list-style-type: none"> <li>claims loss ratios; or</li> <li>policy retention rates.</li> </ul> </li> </ul> <p>Relevant thresholds indicating possible adverse outcomes are stored within QBE's internal retail Product Governance arrangements.</p>