

Target Market Determination

AgGuard Farmstyle Insurance



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

This Target Market Determination (TMD) is effective from 20.09.2023 and relates to the retail covers within the AgGuard Farmstyle Product Disclosure Statement (QBE Reference: QM9346).

This TMD provides QBE's distributors and customers information regarding:

- which class of customers this product is suitable for (the target market) and which class of customers this product is likely unsuitable for in relation to retail covers;
- optional benefits that have been designed for customers within this product's target market;
- any distribution conditions and restrictions on distribution for this product;
- reporting obligations of our distributors; and
- the review period and events or circumstances that may trigger a review.

This TMD describes the customers within our target market. This TMD doesn't consider a customer's personal needs, objectives and financial situation.

A customer should always refer to the AgGuard Farmstyle Product Disclosure Statement (PDS), and any Supplementary Product Disclosure Statements (SPDS) that may apply, to ensure the product is right for them.

Note: This TMD only includes information on target markets of covers for retail clients as defined by the *Corporations Act 2001 (Cth)*.

Farmstyle Insurance

This TMD includes a target market statement for the following covers offered under the product to retail clients:

- Home Property (Including the mandatory cover under Section 5 for Public liability associated with the Home Building and Home contents), and;
- Motor vehicles (private use only).

Other sections of cover are available under Farmstyle Insurance, however as they are not offered under the product to retail clients, they do not form part of this TMD. These sections of cover include:

- Farm property
- Motor Vehicles (other than private use)
- Theft and
- Public and products liability.

It offers optional benefits to choose from to enable customers to tailor the product to suit their individual needs.

Who is within the Target Market for Farmstyle Insurance?

Customers within the Target Market

(Customers are within the target market if all the following conditions apply)

- | | |
|---|--|
| ✓ | Owners or operators of predominantly rural properties used as lifestyle farms. |
|---|--|

Class of Customers **NOT** within the Target Market

(Customers are not within the target market if any of the following conditions apply)

- | | |
|---|---|
| X | Owners or operators of predominantly rural properties used for non-farming activities. |
| X | Owners or operators of predominantly rural properties used for commercial farming activities. |

Part 1: Home Property

Home Building

This cover has been designed for customers in the target market for Farmstyle Insurance to provide financial protection for:

- loss or damage occurring to residential buildings caused by insured events, such as, fire, storm, lightning; and
- legal liability for loss or:
 - injury to or death of another person;
 - loss or damage to another person's property.

Note: Legal liability is provided under mandatory Section 5 – Public and Products Liability of the policy and is a mandatory cover associated with the Home Building and Home contents.

Who is within the Target Market for Home Property?

Customers within the Target Market (Customers are within the target market if all the following conditions apply)	
✓	Customers who own and live in their home.
✓	Homeowners who rent out a home to a tenant.
✓	Customers who want insurance for their residential home, which includes cover for (but not limited to): <ul style="list-style-type: none">• loss or damage caused by Listed events, such as, fire, storm, lightning; and• legal liability for:<ul style="list-style-type: none">○ injury to or death of another person; and○ loss or damage to another person's property,arising out of their ownership of the home, and have the option to select cover for accidental damage to the home.
✓	Customers who have a legal, equitable or ownership interest in the home (which could include a bank or insolvency firm).

Class of Customers <u>NOT</u> within the Target Market (Customers are not within the target market if any of the following conditions apply)	
✗	Customers who want cover for flood automatically, which is not provided by this product.
✗	Customers who want cover for wear, tear, rust, corrosion, depreciation or gradual deterioration.
✗	Customers who live in a building that is used for business purposes, except where it is a home used as the primary residence that only contains a home office or surgery.
✗	Customers whose home is in the course of construction, alteration or substantial repair.
✗	Customers who live in a premise that is not a standard residential home (for example a shipping container, houseboat, hostel, backpacker accommodation).
✗	Customers whose home is unoccupied and will continue to be for more than 90 consecutive days of any period of 120 days.

Home Contents

This cover has been designed for customers in the target market for Farmstyle Insurance to provide financial protection for:

- loss or damage occurring to their home contents, caused by Listed events, such as fire and storm; and
- legal liability arising from an occurrence anywhere in the world associated with the ownership of their home contents.

Note: Legal liability is provided under mandatory Section 5 – Public and Products Liability of the policy and is a mandatory cover associated with the Home Building and Home contents.

It offers options to choose from to enable customers to tailor the product to suit their individual needs.

Who is within the Target Market for Home Contents?

Customers within the Target Market

(Customers are within the target market if all the following conditions apply)

✓	Homeowners who own household contents in the home they live in.
✓	Customers who own personal contents contained within a home they rent a from a landlord.
✓	Customers who want to be financially protected for: <ul style="list-style-type: none"> • loss or damage occurring to their home contents; • legal liability for injury to or death of another person and loss of or damage to another person's property occurring anywhere in the world, other than at the insured address, and have the option to select cover for accidental damage to contents.

Class of Customers **NOT** within the Target Market

(Customers are not within the target market if any of the following conditions apply)

X	Customers who want cover for items that are not typically used for domestic purposes or kept in or around a Home Building, such as caravans and other vehicles, arial devices, commercial or retail trade stock and watercraft.
X	Customers who want cover for flood automatically, which is not provided by this product.
X	Customers whose home is used for business purposes, except where it is the primary place of residence and also contains an office or surgery.
X	Customers whose home is in the course of construction, alteration or substantial repair.
X	Customers whose home is unoccupied and will continue to be for more than 90 consecutive days of any period of 120 days.
X	Customers who live in a premise that is not a standard residential home (for example a temporary building or structure, motel, nursing home or boarding house, a building of flats or a caravan).

Target Market for Optional Benefits

Customers within the target market for Farmstyle Insurance for this cover may want to purchase the following optional benefits:

Optional benefit – Portable Effects

Customers within the Target Market for the Portable Effects optional benefit	
✓	Customers who own Portable effects.
✓	Customers who have selected Listed events cover.
✓	Customers who want financial protection for portable effects when away from the home address.

Customers <u>NOT</u> within the Target Market for the Portable effects optional benefit	
X	Customers who want portable effects cover for: <ul style="list-style-type: none">• cash, negotiables, financial transaction cards, unset precious or semi-precious stones (or other items as excluded in the PDS);• property used in connection with a profession, trade or business, or otherwise for reward.
X	Customers who have selected Accidental damage cover as the cover provided by this Optional benefit is automatically included.

Part 2 Motor Vehicle

Comprehensive

This cover has been designed for customers in the target market for Farmstyle Insurance to provide financial protection for:

- accidental damage to their vehicle;
- theft or attempted theft of their vehicle; and
- damage caused to another person's vehicle or property due to the use of the customer's vehicle, if legally liable for the damage.

It offers options to choose from to enable customers to tailor the product to suit their individual needs.

Who is within the Target Market for Comprehensive?

Customers within the Target Market (Customers are within the target market if all the following conditions apply)	
✓	Customers who own a vehicle which is: <ul style="list-style-type: none">• registered as a private vehicle and is not used for income earning purposes; or• a vehicle typically used on rural properties for their lifestyle farms.
✓	Customers who want financial protection for: <ul style="list-style-type: none">• the loss or damage occurring to their vehicle; and• the loss or damage caused to another person's vehicle or property due to the use of their vehicle; and• personal injury or death arising to other people out of the use of their vehicle.

Class of Customers <u>NOT</u> within the Target Market (Customers are not within the target market if any of the following conditions apply)	
X	Customers who use their vehicle: <ul style="list-style-type: none">• to carry passengers for hire, fare, or reward (not including a private pooling arrangement);• for any motor sport or motor trade; or• to transport commercial bulk dangerous goods.
X	Customers who want Compulsory Third-Party insurance (CTP), for bodily injury cover as a result of a vehicle accident. This cover is only available under a CTP policy.
X	Customers whose vehicle is unsafe or not roadworthy.
X	Customers who want cover for unspecified fitted or non-standard extras, modifications and accessories to their vehicle.

Third party liability

This cover has been designed for customers in the target market for Farmstyle Insurance to provide financial protection for:

- damage caused to another person's vehicle or property due to the use of the customer's vehicle, if legally liable for the damage; and
- compensation for death or bodily injury arising out of the use of the customer's vehicle, if legally liable to pay.

Who is within the Target Market for Third party property damage cover?

Customers within the Target Market (Customers are within the target market if all the following conditions apply)	
✓	Customers who own a vehicle which is: <ul style="list-style-type: none">• registered as a private vehicle and is not used for income earning purposes; or• a vehicle typically used on rural properties for their lifestyle farms.
✓	Customers who want financial protection for the loss or damage caused to another person's property due to the use of their vehicle, if they are found to be legally liable for the damage and personal injury or death arising to other people out of the use of their vehicle.

Class of Customers <u>NOT</u> within the Target Market (Customers are not within the target market if any of the following conditions apply)	
X	Customers who want cover for accidental loss or damage (including theft) to their vehicle.
X	Customers who use their vehicle: <ul style="list-style-type: none">• to carry passengers for hire, fare, or reward (not including a private pooling arrangement);• for any motor sport or motor trade; or• to transport commercial bulk dangerous goods.
X	Customers who want Compulsory Third-Party insurance (CTP), which is only available under a CTP insurance policy.
X	Customers whose vehicle is unsafe or not roadworthy.
X	Customers who want cover for unspecified fitted or non-standard extras, modifications and accessories to their vehicle.

Third party liability, fire and theft

This cover has been designed for customers in the target market for Farmstyle Insurance to provide financial protection for:

- damage caused to their vehicle caused by fire or theft; and
- loss or damage to another person's property due to the use of their vehicle, if legally liable for the damage; and
- compensation for death or bodily injury arising out of the use of the customers vehicle, if legally liable to pay.

Who is within the Target Market for Third party liability, fire and theft?

Customers within the Target Market

(Customers are within the target market if all the following conditions apply)

✓	Customers who own a vehicle which is: <ul style="list-style-type: none">• registered as a private vehicle and is not used for income earning purposes; or• a vehicle typically used on rural properties for their lifestyle farms.
✓	Customers who want financial protection for loss or damage to their vehicle caused by a fire or by theft, loss or damage caused to another person's property due to the use of their vehicle and personal injury or death arising to other people out of the use of their vehicle.

Class of Customers **NOT** within the Target Market

(Customers are not within the target market if any of the following conditions apply)

X	Customers who want cover for loss or damage to their vehicle caused by anything other than fire or theft
X	Customers who use their vehicle: <ul style="list-style-type: none">• to carry passengers for hire, fare, or reward (not including a private pooling arrangement);• for any motor sport or motor trade; or• to transport commercial bulk dangerous goods.
X	Customers who want Compulsory Third-Party insurance (CTP), which is only available under a CTP insurance policy.
X	Customers whose vehicle is unsafe or not roadworthy.
X	Customers who want cover for unspecified fitted or non-standard extras, modifications and accessories to their vehicle.

Distribution Conditions

This product has been appropriately designed to be distributed through AgGuard Pty Ltd and their authorised distributors. The product and the systems it is distributed through have been designed for a customer seeking insurance online through AgGuard. AgGuard has taken reasonable steps to understand the key product attributes and align distribution to customers in the target market.

Distribution Restrictions	This product can only be sold by AgGuard Pty Ltd, ABN 42 168 502 645, AFSL 480716.
Distribution Conditions	<p>This product can only be sold via a QBE approved application system within the eligibility and underwriting rules.</p> <p>Any quoting outside the system must always be referred to a QBE authorised representative.</p> <p>It can be sold to customers within the target market without the customer being provided with any financial product advice.</p> <p>AgGuard and its distributors must make the TMD available to customers who wish to refer to it.</p>
Distribution Method	This product is available online only through www.farmstyle.com.au/

Reporting Obligations for Distributors

Distributors of this product are required to provide QBE with complaints information about this product through the agreed complaints submission process including:

- The number of complaints the distributor has received about this product during the reporting period;
- A brief summary about the nature of the complaint raised and any steps taken to address the complaint; and
- Any general feedback our distributor may have received on this product.

Distributors should include sufficient details about the complaint that would allow QBE to identify whether the TMD may no longer be appropriate to the class of customers.

Reporting Period: 6 monthly or as otherwise agreed with the Distributor and no later than 10 business days after the agreed complaints reporting date.

Dealings outside the target market

Distributors of this product need to report to QBE when they become aware a dealing outside the target market that has not been approved by QBE. Their report to QBE must include information such as the date (or date range) the dealing occurred, details about the dealing(s) and any steps or actions taken to mitigate.

Reporting Period: As soon as practicable and, subject to our distribution agreement, no later than 10 business days of the date on which the Distributor became aware of the dealing.

TMD Reviews

Review Period	The initial review of this TMD will occur no later than 2 years from the date this TMD is first published and every 2 years thereafter.
What may trigger a review prior to periodic review	<p>The events or circumstances that may suggest the product is no longer suitable to the target class of customers and would trigger a review (prior to the scheduled periodic review date) include, but are not limited to, us becoming aware of:</p> <ul style="list-style-type: none">• significant increase in the number of complaints relating to the product received by us or reported by distributors;• a material change to the product including Product Disclosure Statement, information or assumptions upon which the target market was formulated;• change of relevant law, regulatory guidance or industry code which has a material effect on the terms or distribution of the product;• the product is being distributed and purchased in a way that is significantly inconsistent with this TMD;• adverse trends in policy and claims data indicating the product is not performing as expected by the customer.