

# Target Market Determination (TMD)

## DSH Private Motor

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

Product Disclosure Statement (PDS) this TMD relates to	DSH Private Motor QM2988
TMD applies to policies commencing or renewing effective from	01.12.2024
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 DSH Private Motor PDS, and any Supplementary PDS to ensure the product is right for them.

## Product Description

This product has been designed to provide Comprehensive, Third party fire and theft, or Third party property damage cover for vehicles.

Depending on the cover selected, it offers one or a combination of the below:

- Cover for damage to or theft of a vehicle
- 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.

# Cover: Comprehensive

## 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>• executive 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 for: <ul style="list-style-type: none"><li>• carrying passengers for payment including ridesharing; or</li><li>• professional driver education; or</li><li>• the purpose of demonstration for sale other than for private sale; or</li><li>• delivering food or goods for reward; or</li><li>• car sharing, or</li><li>• the purpose of letting out for hire.</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 vehicle to reduce the unexpected financial costs to repair or replace their vehicle if it is accidentally or maliciously damaged or stolen.	Provides cover for costs to repair or replace the customer's vehicle, if it is accidentally lost or damaged due to incidents such as collision or impact, theft or attempted theft, weather events (such as hail, flood or storm), or malicious damage.
Cover for damage caused to another person's vehicle or property by the use of their vehicle, 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 vehicle.
Optional cover to tailor the product to suit the customer's needs.	Customers can choose to add the following optional benefits: <ul style="list-style-type: none"> <li>• Hire vehicle costs following an accident.</li> <li>• Windscreen protection.</li> <li>• Protected No Claim Discount.</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 the 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 total premium in instalments.</li> </ul>
Pay the Standard excess selected and any additional or imposed excesses.	<p>A Standard 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 excess at the time of a claim; or</li> <li>• pay less premium, to pay more excess at the time of a claim.</li> </ul> <p>Additional excesses that may apply are:</p> <ul style="list-style-type: none"> <li>• age or Inexperienced driver excess</li> <li>• undeclared driver's excess</li> <li>• theft excess.</li> </ul>
Bear 100% of the costs that exceed product limits and/or the value of the customer's vehicle which they have insured.	Customers may be faced with bearing a proportion of the costs and/or loss where the additional benefits limits or amount they have insured their vehicle for have been exhausted.
Pay 100% of the costs upfront prior to being reimbursed for certain Additional benefits.	Customers will need to pay the costs upfront for certain additional benefits before being reimbursed, when a claim is accepted such as: <ul style="list-style-type: none"> <li>• Essential temporary repairs</li> <li>• Travelling and accomodation expenses.</li> </ul>

Based on QBE's assessment of the key terms, attributes and eligibility criteria, the insurance cover for Comprehensive 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	Either the: <ul style="list-style-type: none"> <li>market value, which is the value of the customer's vehicle in their local area immediately before the incident; or</li> <li>if selected, agreed value for the amount as shown on their policy schedule.</li> </ul>
Legal Liability Limit	\$32,500,000
<b>Other policy limits including additional benefit sub-limits apply</b> The insurance cover is subject to maximum insured limits and these are set out in the policy schedule. Other claims limitations and conditions are specified in the PDS (and any Supplementary PDS).	

Key Exclusions	
Driver	The product does not cover any loss or damage if the customer's vehicle was being driven by someone: <ul style="list-style-type: none"> <li>who does not hold a legal driving licence to drive the customer's vehicle in Australia; or</li> <li>who is under the influence of alcohol or drugs, or</li> <li>whose blood alcohol reading exceeds the legal limit.</li> </ul>
Use of the vehicle	The product does not cover any loss or damage, if the customer's vehicle was being used for: <ul style="list-style-type: none"> <li>carrying passengers for payment including ridesharing; or</li> <li>professional driver education; or</li> <li>the purpose of demonstration for sale other than for private sale; or</li> <li>delivering food or goods for reward; or</li> <li>car sharing; or</li> <li>the purpose of letting out for hire.</li> </ul>
Reasonable Care	There is no cover under the product for: <ul style="list-style-type: none"> <li>failing to secure the vehicle and this contributed to an incident; or</li> <li>intentional or reckless act by the customer or anyone acting with their permission; or</li> <li>any intentional criminal or dishonest act by the customer or any person acting with their consent.</li> </ul>
Condition of the vehicle	The product does not cover any loss or damage, if the customer's vehicle: <ul style="list-style-type: none"> <li>is in an unroadworthy condition and this contributed to an incident; or</li> <li>has modifications that are unacceptable to QBE; or</li> <li>is damaged by wear, tear, mould, rust or corrosion, failure of mechanical, structural, electrical or electronic nature.</li> </ul>
Consequential loss	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 vehicle can't be used).
Death or injury	There is no cover under the product for death or injury.
<b>Other policy exclusions apply.</b> Please refer to the PDS (and any Supplementary PDS) for a complete list of policy exclusions.	

## Cover: Third party, fire and theft

### 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>• executive 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 for: <ul style="list-style-type: none"><li>• carrying passengers for payment including ridesharing; or</li><li>• professional driver education; or</li><li>• the purpose of demonstration for sale other than for private sale; or</li><li>• delivering food or goods for reward; or</li><li>• car sharing; or</li><li>• the purpose of letting out for hire.</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 loss or damage to the customer's vehicle to reduce the unexpected financial costs to repair or replace their vehicle, arising only from fire, theft or attempted theft.	Provides cover for costs to repair or replace the customer's vehicle, if it is accidentally lost or damaged due to fire, explosion, lightning, theft or attempted theft.
Cover for damage caused to another person's vehicle or property by the use of the customer's vehicle, 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 vehicle.

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 the premium in instalments.</li> </ul>	<p>Customers have the choice of:</p> <ul style="list-style-type: none"> <li>paying the total premium in one annual payment; or</li> <li>paying the total premium in instalments.</li> </ul>
Pay the standard excess selected and any additional or imposed excesses.	<p>A standard 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 excess at the time of a claim; or</li> <li>pay less premium, to pay more excess at the time of a claim.</li> </ul> <p>Additional excesses that may apply are:</p> <ul style="list-style-type: none"> <li>Age or Inexperienced driver excess</li> <li>Undeclared driver's excess</li> <li>Theft excess.</li> </ul>
Bear 100% of the costs that exceed product limits and/or the value of the customer's vehicle which they have insured.	Customers may be faced with bearing a proportion of the costs and/or loss where the additional benefits limits or amount they have insured their vehicle for have been exhausted.
Bear 100% of the costs to repair or replace their vehicle if it is damaged by an event other than from a fire, theft or attempted theft.	Cover for the customer's vehicle under Third party, fire and theft is limited to loss or damage due to fire, explosion, lightning, theft or attempted theft.

Based on QBE's assessment of the key terms, attributes and eligibility criteria, the insurance cover for Third Party Fire and Theft is likely to be consistent with the needs, objectives and financial situation of customers in the target market.

## Other Key Product Attributes

Key Limits	
Limits of cover	The value as shown on the customer's policy schedule
Legal Liability Limit	\$32,500,000
<p><b>Other policy limits including additional benefit sub-limits apply</b></p> <p>The insurance cover is subject to maximum insured limits and these are set out in the policy schedule. 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 vehicle was being driven by someone:</p> <ul style="list-style-type: none"> <li>• who does not hold a legal driving licence to drive the customer's vehicle in Australia; or</li> <li>• who is under the influence of alcohol or drugs; or</li> <li>• whose blood alcohol reading exceeds the legal limit.</li> </ul>
Use of the vehicle	<p>The product does not cover any loss or damage, if the customer's vehicle was being used for:</p> <ul style="list-style-type: none"> <li>• carrying passengers for payment including ridesharing;</li> <li>• professional driver education; or</li> <li>• the purpose of demonstration for sale other than for private sale; or</li> <li>• delivering food or goods for reward; or</li> <li>• car sharing; or</li> <li>• the purpose of letting out for hire.</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 vehicle and this contributed to an incident; or</li> <li>• for any intentional or reckless act by the customer or anyone acting with their permission; or</li> <li>• for any intentional criminal or dishonest act by the customer or any person acting with their consent.</li> </ul>
Condition of the vehicle	<p>The product does not cover any loss or damage, if the customer's vehicle:</p> <ul style="list-style-type: none"> <li>• is in an unroadworthy condition and this contributed to an incident; or</li> <li>• has modifications that are unacceptable to QBE; or</li> <li>• is damaged by wear, tear, mould, rust or corrosion, failure of mechanical, structural, electrical or electronic 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 vehicle 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>	

## Cover: Third party property damage

### 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>• executive 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 for: <ul style="list-style-type: none"><li>• carrying passengers for payment including ridesharing; or</li><li>• professional driver education; or</li><li>• the purpose of demonstration for sale other than for private sale; or</li><li>• delivering food or goods for reward; or</li><li>• car sharing; or</li><li>• the purpose of letting out for hire.</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
<p>Cover for damage caused to another person's vehicle or property by the use of the customer's vehicle, to reduce the unexpected financial costs they are liable to pay.</p>	<p>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 vehicle.</p>
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 the premium in instalments.</li> </ul>	<p>Customers have the choice of:</p> <ul style="list-style-type: none"> <li>• paying the total premium in one annual payment; or</li> <li>• paying the total premium in instalments.</li> </ul>
<p>Pay the Standard excess selected and any additional or imposed excesses.</p>	<p>A Standard 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 excess at the time of a claim; or</li> <li>• pay less premium, to pay more excess at the time of a claim.</li> </ul> <p>Additional excesses that may apply are:</p> <ul style="list-style-type: none"> <li>• Age or Inexperienced driver excess</li> <li>• Undeclared driver's excess</li> <li>• Theft excess.</li> </ul>
<p>Bear 100% of the costs to repair or replace their vehicle if it's damaged.</p>	<p>There is no cover for the customer's vehicle under Third party property damage except for certain circumstances under the Uninsured motorist's benefit.</p>

Based on QBE's assessment of the key terms, attributes and eligibility criteria, the insurance cover for Third party property damage is likely to be consistent with the needs, objectives and financial situation of customers in the target market.

## Other Key Product Attributes

Key Limits	
Legal Liability Limit	\$32,500,000
<p><b>Other policy limits including additional benefit sub-limits apply</b></p> <p>The insurance cover is subject to maximum insured limits and these are set out in the policy schedule. 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 vehicle was being driven by someone:</p> <ul style="list-style-type: none"> <li>• who does not hold a legal driving licence to drive the customer's vehicle in Australia; or</li> <li>• who is under the influence of alcohol or drugs; or</li> <li>• whose blood alcohol reading exceeds the legal limit.</li> </ul>
Use of the vehicle	<p>The product does not cover any loss or damage, if the customer's vehicle was being used for:</p> <ul style="list-style-type: none"> <li>• carrying passengers for payment including ridesharing;</li> <li>• professional driver education; or</li> <li>• the purpose of demonstration for sale other than for private sale; or</li> <li>• delivering food or goods for reward; or</li> <li>• car sharing; or</li> <li>• the purpose of letting out for hire.</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 vehicle and this contributed to an incident; or</li> <li>• for any intentional or reckless act by the customer or anyone acting with their permission; or</li> <li>• for any intentional criminal or dishonest act by the customer or any person acting with their consent.</li> </ul>
Condition of the vehicle	<p>The product does not cover any loss or damage, if the customer's vehicle:</p> <ul style="list-style-type: none"> <li>• is in an unroadworthy condition and this contributed to an incident; or</li> <li>• has modifications that are unacceptable to QBE; or</li> <li>• is damaged by wear, tear, mould, rust or corrosion, failure of mechanical, structural, electrical or electronic 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 vehicle 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 Defence Service Homes Insurance Scheme (DSH). The product and the systems it is distributed through have been designed for a customer seeking insurance through DSH. DSH has taken reasonable steps to understand the key product attributes and align distribution to customers in the target market.

<b>Distribution Restrictions</b>	<b>DSH Private Motor– QM2988</b> can only be sold by Defence Service Homes Insurance Scheme, ABN 97 191 187 638, ARN 269008.
<b>Distribution Conditions</b>	<p>DSH Private Motor– QM2988 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</li> <li>• Public website with product information</li> <li>• A Delegated Underwriting Authority program</li> <li>• Underwriting Guidelines</li> </ul> <p>DSH Private Motor– QM2988 can be sold via a QBE approved policy administration system within the eligibility criteria 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 or, with either general or personal advice.</p> <p>DSH must make this TMD available free of charge on request.</p>
<b>Distribution Method</b>	<p>DSH Private Motor– QM2988 can be sold via direct contact between the customer and DSH.</p> <p>This product is not available for customers to purchase directly from QBE including online.</p>

## Reporting Obligations

Information	Responsible reporting person	Obligation	Information required to be reported	Reporting Period
<b>Dealings outside the target market</b>	DSH and QBE	<p>DSH 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 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 the DSH or QBE becomes aware of the dealing.
<b>Complaints and feedback</b>	DSH and QBE	<p>DSH 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
<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>	DSH 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

<b>Review Period</b>	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.
<b>What may trigger a review prior to periodic review</b>	<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>