

# Target Market Determination



## DSH Caravan and Domestic Trailer Insurance

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

Product Name this TMD relates to	DSH Caravan and Domestic Trailer Insurance (QM2989)
Effective date of this TMD	04.03.2024
First publication date of the TMD	23.08.2021
Information included in this TMD:	
<p>This TMD describes:</p> <ul style="list-style-type: none"><li>• the customers within our target market, their likely needs, objectives and financial situation</li><li>• key attributes of the product and cover offered within it</li><li>• classes of customers this product is not suitable for</li><li>• how this product must be distributed including conditions and restrictions</li><li>• how often we will review this TMD and what events and circumstances would cause us to review it sooner.</li></ul> <p>It doesn't consider a customer's personal needs, objectives, and financial situation.</p>	

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

## Target Market: DSH Caravan and Domestic Trailer Insurance

### This cover is suitable for customers who:

✓	own a caravan, motorhome, trailer or horse float
✓	use their caravan, motorhome, trailer or horse float for private or business use.

This cover is only suitable for customers where **all** of the above describes them.

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

✗	want cover for a vehicle other than a caravan, motorhome, trailer or horse float. E.g., car or motorcycle
✗	want cover for a caravan, motorhome, trailer or horse float they use for: <ul style="list-style-type: none"><li>• permanent accommodation,</li><li>• delivering food or other goods for reward,</li><li>• carrying passengers for hire, fare or reward,</li><li>• for hire including as part of a car sharing service or platform for reward, or</li></ul> for any competitive motor sport, contest, or event where the road was closed to public traffic
✗	want cover for bodily injury This cover is only available under a Compulsory Third Party (CTP) insurance
✗	want cover for mechanical or electrical breakdown
✗	want cover for wear and tear and depreciation
✗	want cover for loss of income or profits.

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

## Product Description: DSH Caravan and Domestic Trailer Insurance

Likely need	Likely objective	Key Product Cover
<p>A product that offers customers in the target market, choice of the type of cover they require for their caravan, motorhome, trailer or horse float</p>	<p>Reducing the unexpected financial burden of either:</p> <ul style="list-style-type: none"> <li>• repair costs and the cost to replace their caravan, motorhome, trailer or horse float</li> <li>• costs they are liable to pay for damage to another person's car or property, or both.</li> </ul>	<p>Three types of cover available for customers to choose from:</p> <p><b>Comprehensive</b> Covers:</p> <ul style="list-style-type: none"> <li>• costs to repair or replace the insured caravan, motorhome, trailer or horse float if it is accidentally lost or damaged due to incidents such as: <ul style="list-style-type: none"> <li>○ collision or impact</li> <li>○ attempted theft</li> <li>○ fire or explosion</li> <li>○ weather events (such as hail or flood)</li> <li>○ malicious damage</li> </ul> </li> <li>• costs the insured is liable to pay for loss or damage to another person's property arising out of the use of their caravan, motorhome, trailer or horse float.</li> </ul> <p><b>Third Party Property Damage including Fire and Theft</b> Covers:</p> <ul style="list-style-type: none"> <li>• costs to repair or replace the insured caravan, motorhome, trailer or horse float if it is accidentally lost or damaged due to: <ul style="list-style-type: none"> <li>○ fire or explosion</li> <li>○ lightning, or</li> <li>○ theft or attempted theft</li> </ul> </li> <li>• costs the insured is liable to pay for loss or damage to another person's property arising out of the use of their caravan, motorhome, trailer or horse float.</li> </ul> <p><b>Third Party Property Damage</b> Covers:</p> <ul style="list-style-type: none"> <li>• costs the insured is liable to pay for loss or damage to another person's property arising out of the use of their caravan, motorhome, trailer or horse float.</li> </ul>

Likely need	Likely objective	Key Product Cover
Choice of basic excess	Either: <ul style="list-style-type: none"> <li>• paying more premium upfront to pay less at time of a claim where an excess would apply, or</li> <li>• reducing the premium paid upfront, to pay more at the time of a claim where an excess would apply.</li> </ul>	A range of basic excess amounts to choose from.
Payment options	Either: <ul style="list-style-type: none"> <li>• paying the total premium in one payment</li> <li>• paying the total premium in instalments</li> </ul>	Choice of: <ul style="list-style-type: none"> <li>• paying the total premium in one annual payment</li> <li>• paying the premium in monthly instalments</li> </ul>

#### Likely financial situation of customers in the target market

Have the financial capacity to:	<ul style="list-style-type: none"> <li>• pay the premiums which may increase from year to year</li> <li>• meet monthly payment commitments if electing to pay premium in instalments</li> <li>• pay the basic excess selected and any additional policy or driver excesses if imposed</li> <li>• pay an additional \$1,200 for a claim caused by collision or impact if the driver is under 21</li> <li>• pay an additional \$800 for a collision claim if the driver is aged 21 – 24 years</li> <li>• pay an additional \$800 for a collision claim if the driver is aged 25 years or more but has held their Australian drivers' licence for less than two years</li> <li>• pay an additional 100% of the total excess payable if the caravan, motorhome, trailer or horse float was being driven on a beach or off any public roads (excluding driveways) or on land not belonging to you.</li> </ul>
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Key Product Attributes	Comprehensive cover	Third Party Property Damage cover including Fire and Theft	Third Party Property Damage cover
Level of cover	Highest	Mid-level	Lowest
Claimable events			
Damage by collision or impact	✓	Limited to \$5,000 and only in the event that the other driver is: <ul style="list-style-type: none"> <li>• at fault,</li> <li>• identifiable, and</li> <li>• uninsured.</li> </ul>	Limited to \$5,000 and only in the event that the other driver is: <ul style="list-style-type: none"> <li>• at fault,</li> <li>• identifiable, and</li> <li>• uninsured.</li> </ul>
Damage by fire or explosion	✓	✓	✗
Damage by: <ul style="list-style-type: none"> <li>• weather events (such as hail or flood)</li> <li>• malicious damage</li> </ul>	✓	✗	✗
Loss or damage by theft	✓	✓	✗
Damage to contents in the caravan, motorhome, trailer or horse float	✗	✗	✗
Bodily Injury	✗	✗	✗
Optional contents cover	✓	✗	✗
Excess applies	✓	✓	✓

## Cover Description: Comprehensive

Likely need	Likely objective	Key Product Cover
Cover for: <ul style="list-style-type: none"><li>• damage to their caravan, motorhome, trailer or horse float</li><li>• theft of their caravan, motorhome, trailer or horse float.</li></ul>	Reducing the unexpected financial burden of: <ul style="list-style-type: none"><li>• repair costs or</li><li>• the cost to replace their caravan, motorhome, trailer or horse float.</li></ul>	Covers costs to repair or replace the insured caravan, motorhome, trailer or horse float if it is accidentally lost or damaged due to incidents such as: <ul style="list-style-type: none"><li>• collision or impact</li><li>• attempted theft</li><li>• fire or explosion</li><li>• weather events (such as hail or flood)</li><li>• malicious damage.</li></ul>
Cover for damage they cause to another person's car or property.	Reducing the unexpected financial burden of costs they are liable to pay for damage to another person's car or property.	Covers liability for loss or damage to another person's property arising from the use of their caravan, motorhome, trailer or horse float.
Cover for contents in their caravan, motorhome, trailer or horse float	Reducing the unexpected financial burden of contents owned by the customer and kept in the caravan, motorhome, trailer or horse float	Optional cover available for contents in a caravan, motorhome, trailer or horse float.
Likely financial situation of customers in the target market		
Have the financial capacity to:	<ul style="list-style-type: none"><li>• bear 100% of the costs to repair the caravan, motorhome, trailer or horse float where the repair costs are less than the total excess amount/s that apply</li><li>• bear any costs in excess of \$2,500 in total and \$500 per item to repair or replace any fixed unspecified accessories</li></ul>	
Key Limits		
Sum insured	The lesser of the sum insured or market value of the caravan, motorhome, trailer or horse float immediately prior to the incident.	
Unspecified fixed (built in) accessories	\$500 per item and \$2,500 in total	
Legal Liability	\$32,500,000	

## Key Exclusions

### Examples of key exclusions

- damage if the driver was unlicensed or not complying with conditions of their licence
- intentional, reckless or fraudulent acts
- carrying passengers for fare or reward
- business use not authorised by QBE
- lost profits or income
- mechanical failure
- unroadworthy caravan, motorhome, trailer or horse float
- mould, rust or corrosion.

Examples of key legal liability coverage exclusions include:

- damage to the insured's property
- bodily injury.

## Cover Description: Third Party Property Damage including Fire and Theft

Likely need	Likely objective	Key Product Cover
Cover for: <ul style="list-style-type: none"><li>• damage to their caravan, motorhome, trailer or horse float due to fire</li><li>• theft of their caravan, motorhome, trailer or horse float</li></ul>	Reducing the unexpected financial burden of: <ul style="list-style-type: none"><li>• repair costs or</li><li>• the cost to replace their caravan, motorhome, trailer or horse float.</li></ul>	Covers costs to repair or replace the insured caravan, motorhome, trailer or horse float if it is accidentally lost or damaged due: <ul style="list-style-type: none"><li>• theft or attempted theft</li><li>• lightning</li><li>• fire or explosion</li></ul>
Cover for damage they cause to another person's car or property	Reducing the unexpected financial burden of costs they are liable to pay for damage to another person's car or property.	Covers liability for loss or damage to another person's property arising from the use of their caravan, motorhome, trailer or horse float.
Likely financial situation of customers in the target market		
Have the financial capacity to:	<ul style="list-style-type: none"><li>• bear 100% of the costs to repair or replace their own caravan, motorhome, trailer or horse float except where it is accidentally lost or damaged due to:<ul style="list-style-type: none"><li>○ theft or attempted theft</li><li>○ lightning</li><li>○ fire or explosion</li></ul></li><li>• bear 100% of the costs to repair the caravan, motorhome, trailer or horse float where the repair costs are less than the total excess amount/s that apply</li><li>• bear any costs in excess of \$2,500 in total and \$500 per item to repair or replace any fixed unspecified accessories</li></ul>	
Key Limits		
Legal Liability	\$32,500,000	
Sum insured	The lesser of the sum insured or market value of the caravan, motorhome, trailer or horse float immediately prior to the incident.	
Unspecified fixed (built in) accessories	\$500 per item and \$2,500 in total	



## Key Exclusions

### Examples of key exclusions

- damage if the driver was unlicensed or not complying with conditions of their licence
- intentional, reckless or fraudulent acts
- carrying passengers for fare or reward
- business use not authorised by QBE
- lost profits or income
- mechanical failure
- unroadworthy caravan, motorhome, trailer or horse float
- mould, rust or corrosion.

Examples of key legal liability coverage exclusions include:

- damage to the insured's property
- bodily injury.

## Cover Description: Third Party Property Damage

Likely need	Likely objective	Key Product Cover
Cover for damage they cause to another person's car or property only	Reducing the unexpected financial burden of costs they are liable to pay for damage to another person's car or property.	Covers liability for loss or damage to another person's property arising from the use of their caravan, motorhome, trailer or horse float.
Likely financial situation of customers in the target market		
Have the financial capacity to:	<ul style="list-style-type: none"><li>bear 100% of the costs to replace or repair their caravan, motorhome, trailer or horse float if it is accidentally lost or damaged</li></ul>	
Key Limits		
Legal Liability	\$32,500,000	
Key Exclusions		
Examples of key exclusions	<ul style="list-style-type: none"><li>damage if the driver was unlicensed or not complying with conditions of their licence</li><li>intentional, reckless or fraudulent acts</li><li>carrying passengers for fare or reward</li><li>business use not authorised by QBE</li><li>lost profits or income</li><li>unroadworthy caravan, motorhome, trailer or horse float</li><li>damage to the insured's property</li><li>bodily injury.</li></ul>	

## Distribution Conditions

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 have taken reasonable steps to understand the key product attributes and align distribution to customers in the target market.

<b>Distribution Restrictions</b>	This product can only be sold via Defence Service Homes Insurance Scheme, ABN 97 191 187 638, ARN 269008.
<b>Distribution Conditions</b>	<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 QBE.</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>Distributors must make the TMD available to customers who wish to refer to it.</p>
<b>Distribution Method</b>	This product can be sold via direct contact between the customer and Defence Services Home Insurance.

## Reporting Obligations for Distributors

<b>Dealings outside the target market</b>	Obligation:	Distributors of this product need to report to QBE when they become aware of a dealing outside the target market that has not been approved by QBE.
	Information required to be reported:	<ul style="list-style-type: none"> <li>the date (or date range) the dealing occurred,</li> <li>details about the dealing(s), and</li> <li>any steps or actions taken to mitigate.</li> </ul>
	Reporting Period:	As soon as practicable and, subject to QBE's distribution agreement, no later than 10 business days of the date on which the Distributor became aware of the dealing.
<b>Complaints</b>	Obligation:	Distributors of this product are required to provide QBE with complaints information about this product through the agreed complaints submission process.
	Information required to be reported:	<ul style="list-style-type: none"> <li>the number of complaints the Distributor has received about this product during the reporting period;</li> <li>a brief summary about the nature of the complaint raised and any steps taken to address the complaint; and</li> <li>any general feedback our distributor may have received on this product.</li> </ul> <p>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.</p>
	Reporting Period:	Six monthly or as otherwise agreed with the Distributor and no later than 10 business days after the agreed complaints reporting date.

TMD Reviews	
<b>Maximum review period</b>	The initial review of this TMD will occur no later than one year from the date this TMD is first published and every two years thereafter.
Events or circumstances that may trigger QBE to review the TMD before the next scheduled review	Information QBE will use to review the TMD
a significant increase in the number of complaints relating to the product received by QBE or reported by distributors	<ul style="list-style-type: none"> <li>• Number of complaints</li> <li>• Complaints made due to policy coverage</li> </ul>
adverse trends in policy and claims data indicating the product is not performing as expected by the customer	<p><b>Claims data</b></p> <ul style="list-style-type: none"> <li>• Claims frequency</li> <li>• Claims acceptance rates</li> <li>• Claims withdrawn rates</li> <li>• Loss ratios</li> <li>• Average claims size</li> </ul> <p><b>Policy data</b></p> <ul style="list-style-type: none"> <li>• Cancellation rates</li> <li>• Renewal retention rates</li> </ul>
the product being distributed and purchased in a way that is significantly inconsistent with this TMD	<ul style="list-style-type: none"> <li>• Number of dealings outside the target market</li> <li>• Nature of the reported dealings outside the target market</li> </ul>
a change of relevant law, regulatory guidance or industry code which has a material effect on the terms or distribution of the product	Any relevant regulation, legislation and/or ASIC instruments relating to the change in law, expectations or guidance.
a material change to the product including the Product Disclosure Statement, information or assumptions upon which the target market was formulated	Information relating to nature of proposed material changes made to the product's design.