

# Target Market Determination

## Clover OneHome – Listed Events Contents Cover Occupancy type: Owner Occupier, Owner (holiday home), Renters

### About this Target Market Determination (TMD)

This TMD applies to the Contents cover (Contents cover) set out in the Clover OneHome – Listed Events Combined Product Disclosure Statement and Financial Services Guide dated 28 December 2023 (PDS).

This TMD:

- sets out the class of customers the Contents cover has been designed for, having regard to the likely objectives, financial situation and needs of that class of customers;
- sets out the distribution conditions that apply to the Contents cover, the review periods and triggers, and the reporting requirements for the TMD;
- does not consider individual customers' objectives, financial situation or needs, and customers should consider the PDS and other information provided by us before deciding whether to apply for this Contents cover; and
- provides information and examples but not a complete list of the eligibility or terms, conditions and exclusions that apply to this Contents cover.

To fully understand the terms and conditions of this product, customers should read the PDS at [cloverinsure.com.au/home-product/](http://cloverinsure.com.au/home-product/) and any other policy documents before deciding if the product is suitable for them.

If customers have already purchased this product, they should review the information we have provided to them whenever your circumstances change, to make sure the product is still right for them.

## Target Market

### Product Description and Key Attributes

The OneHome - Listed Events product allows customers to choose from building and contents cover (or both), includes legal liability cover and has several optional coverage extras. The product has different features dependent on the occupancy type.

Contents cover is one of the covers available to purchase through OneHome – Listed Events. This TMD explains the target market for Contents cover.

Contents cover is designed to meet the needs of:

- renters; and
- home owners,

who require coverage against financial loss that may result from their contents being affected by an insured event listed in the table below, and which occurs during the period of insurance.

The OneHome - Listed Events product also provides contents cover for landlords which includes specific optional extras and exclusions. Customers seeking cover under the OneHome – Listed Events product as a landlord should refer to the Landlord TMD at [cloverinsure.com.au/home-product/](http://cloverinsure.com.au/home-product/).

The OneHome – Listed Events product provides cover for loss or damage to contents caused by the following listed events:

Animal damage	✓
Earthquake	✓
Explosion	✓
Fire	✓
Flood	✓
Legal liability – contents	✓
Lightning	✓
Malicious act including vandalism	✓
Riot and public disturbances	✓
Storm	✓
Sudden escape of liquid	✓
Sudden impact	✓
Theft or attempted theft	✓

The Contents cover provides covers for General Contents, Valuable Contents and Portable Contents when used for a domestic purpose.

General Contents include:

- non income earning household goods (such as your fridge, washing machine and dryer).
- furniture.
- unfixed carpets, floor rugs, curtains and internal blinds.
- domestic appliances (not permanently connected to the Building) but not Portable Electronic Equipment.
- not permanently installed swimming pools, spas, saunas (including unfixed accessories).
- manchester, linen and towels.
- toys.
- gardening equipment.
- home improvement tools and accessories.

Valuable Contents and Portable Contents are insured up to a fixed limit and are generally only covered at the insured address, within the confines of the domestic residence and not in the open air. Some Valuable Contents and Portable Contents can have increased limits when they are included in the Policy Schedule as Specified Valuable Contents or Specified Portable Contents and/or Blanket Cover for Portable Contents. Others cannot be increased. Where Specified Portable Contents and/or Blanket Cover for Portable Contents are shown on the Policy Schedule, those contents are covered Australia wide when they are temporarily removed from the insured address.

Valuable Contents means:

- collections of stamps or medals.
- cash/ money/ bullion/ vouchers/ pre-pay cards or negotiable instruments.
- music, games and movies.
- works of art.
- unfixed hand-woven carpets or rugs.

Portable Contents means:

- jewellery and watches (including rings, bracelets, necklaces, and watches), but not unset precious or semi-precious gems.
- items that contain gold or silver (but not items thinly covered with gold or silver).
- sporting equipment and tools, except while in use or play.
- camping equipment, backpacks and sleeping bags.
- photographic equipment, including video equipment.
- musical equipment.
- battery operated sound equipment.
- binoculars and telescopes.
- clothing.
- wheelchairs, crutches and walking sticks.
- motorised golf carts, and ride on mowers, none of which require licencing or registration.

- prams or strollers and baby capsules.
- luggage, including handbags and purses.
- Personal e-transporters, bicycles/pedal cycles.
- Portable electronic equipment.
- surfboards, windsurfers, surf skis, kayaks and other watercraft that are less than 4 metres and do not require registration under state or territory legislation.
- hearing aids, contact lenses, sunglasses and prescription eyeglasses.
- other personal belongings designed to be carried or worn.

### Optional Covers

The following optional covers can be added to the OneHome - Listed Events product for Contents cover. These options will alter the premium.

Accidental Glass Breakage - Contents	✓
Electric Motor Burnout from Power Surge - Contents	✓
Choice of excess – Sudden escape of liquid	✓
Choice of excess - Natural peril	✓
Specified Portable Contents	✓
Specified Valuable Contents	✓
Blanket Cover for Portable Contents	✓

### Legal liability

Another key attribute of the OneHome – Listed Events product Contents cover is its legal liability cover.

This provides protection if customers become liable for damage to someone’s property (other than that of the customer or their family), or for the death of or bodily injury to, any person (other than the customer or their family) from an occurrence anywhere in Australia other than at the insured address.

Renters are also covered for liability for damage to someone’s property (other than that of the renter or their family), or for the death of or bodily injury to, any person (other than the renter or their family) from an occurrence at their insured address, but not on common property.

The Contents cover can be tailored to suit customers' personal needs. This can be based on the value of the contents, options for an excess, the selection of certain optional covers and premium payment arrangements.

### Likely objectives, financial situation and needs of customers in the target market

In general, owners of contents within Australia need to manage certain financial risks associated with particular events that may cause loss or damage to their contents, as well as specific associated costs and expenses they may incur as a result of this. They may also need protection for legal liability arising from events which result in the death of or bodily injury to other people or loss or damage to someone else’s property as well as protection for certain legal costs arising with such liability claims, from an occurrence anywhere in Australia other than at the insured address. Where the owner of the contents is also a renter (tenant) they may also need coverage for liability for damage to someone’s property (other than them or their family), or for the death of or bodily injury to other people from an occurrence at their insured address.

The likely objectives and needs of a person in the target market are principally to transfer these financial risks through insurance protection of the types covered by this product, for a period and on terms and conditions (including limits and excesses and price) acceptable to them.

The likely financial situation of a person in the target market is principally that they can afford to pay or accommodate the following:

- they can afford to pay the premiums (which may vary over time) and be able to make payments via the payment options available;
- they can afford to pay or bear multiple excesses which may apply to one claim;
- they are able to financially contribute where their claim is for an amount greater than a sublimit, for instance under additional benefits which may apply to the policy;
- where the sum insured is insufficient to cover the total loss amount, they are able to cover any difference between the sum insured and the total value of the loss.

## Description of the target market

This product is suitable for customers:

- who:
  - take out a policy with us as an owner occupier or holiday home owner and wish to protect contents that they or their family own or are legally responsible and which are principally kept in and around the home, or
  - are a renter and wish to protect contents that they or their family own or are legally responsible and which are principally kept in and around the rental property; and
- need insurance for loss or damage to those contents caused by a range of listed events, including for instance fire, theft, storm, flood and earthquake, and associated legal liability.

This product is not suitable where:

- the insured address is not kept in good repair and condition, or is not structurally sound, watertight, secure and free of structural defect, decay or deterioration and vermin infestation or damage.
- the insured address either does not have a domestic residential building on it or there is a mix of residential and non-residential (for example commercial) buildings on it.
- the insured address has an underground or below-ground domestic residence (known as a dugout), even if this is only part of a building.
- the building the contents are located in has asbestos as a construction material.
- the building the contents are located in is a display or exhibition house, a nursing home or retirement village.
- the building the contents are located in is used for short term rentals including hotels, motels, boarding houses or bed and breakfasts.
- the building the contents are located in is a houseboat or a house used for the purposes of a business trade or profession or primarily for business, farming or commercial purpose.
- customers require cover for contents used in connection with any business, trade or profession, including for instance stock/tools of trade/photography equipment.
- customers require cover for flood, cyclone, storm, earthquake or bushfire within 72 hours of the commencement of this product for the first time.
- customers require cover for contents at the insured address that are likely impacted by actions of the sea, storm surge, high tide or tsunami as this product does not provide cover for these events.
- customers only need cover for portable or valuable contents items.
- the building the contents are kept in will be unoccupied for more than 60 days or any longer period agreed to by us.
- the insured address is located on more than 2.5 hectares of land.
- the insured address is unliveable.

### Electric motor burnout

The Electric motor burnout optional cover is suitable for customers who have electric motors which are less than 7 years old, used solely for domestic purposes and not covered by guarantee or warranty.

### Specified and/or Blanket Cover for Portable Contents

The Specified and/or Blanket Cover for Portable Contents optional cover is suitable for customers who require cover for their Portable Contents which is greater than the fixed limits set out in the PDS or while temporarily removed from the insured address anywhere in Australia.

### Specified Valuable Contents

The Specified Valuable Contents optional cover is suitable for customers who require cover for their Valuable Contents which is greater than the fixed limits set out in the PDS.

Customers considering bundling the Contents cover with the Building cover should refer to each of the TMDs to make sure they meet their needs. The TMDs are available at [cloverinsure.com.au/home-product/](https://cloverinsure.com.au/home-product/).

## Suitability

If the Contents cover is issued to a retail client in the target market as described, it will likely be consistent with the likely objectives, needs and financial situation of that person, principally because the person will have the key characteristics of someone who is likely to need and value the Contents cover and who is able to meet our eligibility criteria.

## Distribution conditions

Clover OneHome Listed Events Building Insurance can only be issued to a retail client via our intermediary partners (distributors) where the retail client submits information (directly or through their insurance broker) into Clover's online system or a third-party interface connected to that system which meets the eligibility criteria for the product (including for new business, renewals and variations as applicable). The eligibility criteria, which include all aspects of the target market description, have been approved in writing by us.

All distributors acting on our behalf are only allowed to engage in retail distribution conduct, including through use of Clover's online system or a third-party interface, if they have been authorised in writing by us to do so and this authority has not been cancelled or suspended. All distributors are also subject to appropriate contractual terms, training, supervision and monitoring.

We believe it is reasonable to conclude that if the Insurance were to be issued in accordance with the above distribution conditions it would be likely that the customer is in the target market, principally because the Clover online system or third-party interface connected to that system will only allow the product to be issued to a customer who meets the eligibility criteria approved by us and the distributors using that system will be subject to appropriate contractual terms, training, supervision and monitoring regarding its use.

## Reviewing this Target Market Determination

We will review the TMD if we identify or become aware of any event or circumstance that would reasonably suggest that the TMD is no longer appropriate, which could include the following:

- There are amendments to our PDS that materially change the cover provided.
- New eligibility criteria are introduced for the product.
- We introduce other ways in which our products are sold.
- We identify there may be a product suitability issue following reviews of our complaint and claims data.
- We identify a significant dealing that is not consistent with this TMD.
- There are material changes in our product suitability metrics such as:
  - Customer satisfaction (including complaints and claims trends)
  - Product acceptance (including renewal and cancellations data), or
  - Financial performance (including net loss ratio).

Where a review trigger has been identified, this TMD will be reviewed within 10 business days.

### Periodic Review

This TMD will also be reviewed and updated one year after the effective date and every two years thereafter.

## Reporting

We will require our distributors and claims providers to report on the following information (as appropriate) in relation to this TMD:

<b>Complaints</b>	All complaints in relation to this product within 2 business days and on a monthly basis. This will include written details of the complaints.
<b>Sales data</b>	Relevant sales and customer data (including new business (including conversion rates), renewal and cancellation data, as well as customer demographic trends) in relation to this product on a monthly basis.
<b>Claims data</b>	Where relevant, claims data in relation to this product on a monthly basis.
<b>Significant dealings</b>	Any significant dealing in relation to the product that is inconsistent with the TMD, as soon as practicable but within 10 business days.
<b>Suitability</b>	Any information our distributors become aware of that suggest the TMD may no longer be suitable, as soon as practicable but within 10 business days.

### Questions

If you have any questions about our products or this Target Market Determination, please contact us on (02) 9000 6180

Effective date: 28 December 2023  
Issuer: Clover Insurance Pty Ltd, ABN 19 653 550 371, AFS Licence No. 538528  
Underwriter: Underwritten by RAC Insurance Pty Ltd ABN 59 094 685 882, AFS Licence No. 23122