

# Target Market Determination

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Rental Vehicle Excess Refund Insurance

Prepared on 10/12/2021



Coverholder at **LLOYD'S**

# Target Market Determination for AWN Rental Vehicle Excess Refund Insurance

This Target Market Determination (TMD) is designed to provide customers, AWN staff and our authorised distributors with appropriate information to understand who this product has been designed for and our approach to determining that the product is likely to be consistent with the objectives, financial situations and needs of the customer and the distribution conditions.

In this document the terms "we", "us" or "our" refer to Australian Warranty Network Pty Ltd ("AWN") ABN 78 075 483 206, AFS Licence No. 246469.

This TMD does not consider any person's individual needs, objectives or financial situation and does not provide financial product advice or recommendation on the cover.

Please note, it is the Product Disclosure Statement and Product Document that sets out the terms and conditions of cover. You must refer to the Product Disclosure Statement before deciding about this product.

## **Purpose of the product**

This AWN Rental Vehicle Excess Refund Insurance has been designed to reimburse the costs not covered by the Rental Company that You must pay under a Rental Agreement following an incident involving a Rental Vehicle.

This Target Market Determination (TMD) sets out the target market for:

- AWN Rental Vehicle Excess Refund Insurance detailed in the Combined Product Disclosure Statement (PDS), product wording and Financial Services Guide (FSG)

## **Target Market**

The product is designed for consumers who are entering into a rental agreement for a rental vehicle and wish to reduce the financial impact of unexpected costs associated with the payment of an excess in the event of an incident not covered by the rental company that you must pay under the rental agreement.

This product is suitable for

- Consumers who enter into a rental agreement for a rental vehicle who are open to an excess being charged for an incident that is not covered by the rental agreement.
- The consumer is an Australian Resident.
- The consumer holds a valid or internationally recognised driving licence or permit for the rental vehicle. This must be valid in the country in which You are travelling.
- The rental vehicle is a car with a maximum of 9 seats (including the driver) or a minibus with a maximum gross vehicle weight of 7.5 tonnes and a maximum of 15 seats (including the driver).
- The rental vehicle will not be used on a safari or an off-road adventure trail.
- The rental vehicle will not be used for any trip in, to or through: Afghanistan, Belarus, Cuba, Congo, Iran, Iraq, Ivory Coast, Liberia, Myanmar, North Korea, South Sudan, Sudan, Syria or Zimbabwe.

This product is not suitable for

- Somebody that does not have an applicable excess.
- Somebody who may have similar cover in an already existing and valid insurance policy.

The AWN Rental Vehicle Excess Refund Insurance is subject to the acceptance criteria:  
The Product Disclosure Statement contains the detailed product cover, terms, conditions and exclusions.

Where a person and their rental vehicle fall within our target market, this does not mean that the cover is right for their individual needs, objectives and financial situation. We do not consider this, and a person needs to consider the PDS, and other information provided by us (and/or seek professional advice) before deciding.

### **Key benefits**

This product provides benefit should an incident occurs that is not covered by the rental agreement and the consumer is ultimately charged an excess by the rental company.

This product is designed to reimburse the costs the consumer must pay under the rental agreement for the following types of claims:

<ul style="list-style-type: none"><li>• Road traffic accidents,</li><li>• Weather-related claims</li><li>• Damage caused by fire or explosion</li><li>• Tyre damage</li><li>• Windscreen and glass damage</li></ul>	<ul style="list-style-type: none"><li>• Damage to the Undercarriage and roof</li><li>• Collisions with animals</li><li>• Theft or attempted theft</li><li>• Towing costs</li><li>• Accidental and malicious damage</li></ul>
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### **Coverage and additional benefits**

- We will pay up to \$7,500 in the event of a claim for Excess reimbursement.
- We will only pay for one claim during any Period of Insurance.
- We will pay up to \$500 towards the costs incurred as a result of misfuelling.
- We will pay up to \$500 for replacement keys and locks.
- We will pay up to \$500 to repair or replace Your Personal Possessions damaged or stolen from the locked boot, covered luggage area or glove box of the Rental Vehicle.
- We will pay up to \$500 for any unrecoverable Administration Charges which are applied by the Rental Company following a claim which is covered by this insurance.

### **Key exclusions**

- If you do not meet the eligibility requirements for this Policy (as detailed on page 3 of this Policy Document).
- For any costs that can be recovered from the Rental Company or any other person or company.
- Which results from a direct breach of the terms and conditions of Your Rental Agreement.
- Which is for third party death or injury only.
- For damage or theft of Personal Possessions unless they are out of sight in the locked boot or covered luggage area or glove box of the Rental Vehicle.

- For accessories which are fitted to or supplied with the Rental Vehicle, such as sound systems, radios, tape, CD or MP3 players, ski racks, car seats, GPS and satellite navigation equipment and telecommunications equipment.
- For mechanical repairs or the cost of any replacement parts which are necessary as a result of misfuelling.
- For any costs relating to a missed departure as a result of misfuelling.
- Resulting from wear and tear.
- Resulting from Your misuse of alcohol or drugs (including the misuse of prescription drugs).
- Resulting from a fraudulent, dishonest or criminal act committed by You.
- Resulting from illegal activities carried out by You.
- If the Rental Vehicle was being driven by a person that is not an eligible person(s) authorised by the vehicle Rental Agreement
- That occurs while the Rental Vehicle is not on a Public Road, for example, while on a safari or an adventure trail.
- For any loss or damage resulting from a deliberate and intentional act by You.
- For loss or damage resulting from war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, riot or civil commotion, terrorist activity of any kind.
- For loss or damage resulting from ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
- For damage resulting from pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.
- We will not pay for any loss, damage, liability, cost or expense caused by malicious or non-malicious use of any application, process, software, code or programme, including computer virus (or any computer-related hoax).
- We will not pay for any loss, theft of, or damage to bank or currency notes (including debit and credit cards), cheques or negotiable instruments such as travellers cheques.

### **Distribution of this product**

This product is issued by Australian Warranty Network ("AWN") ABN 78 075 483 206, AFS Licence No. 246469 and distributed via:

- Authorised Insurance Brokers; or
- Authorised Representatives.

Only our authorised insurance brokers and their authorised representatives are authorised to distribute this product as they understand the market this product has been designed for, have been trained in the relevant acceptance criteria and have the appropriate levels of authority.

This product can only be issued to customers that are eligible for cover in accordance with the application criteria that have been approved in writing by the Issuer and which complies with relevant laws.

The application process has been tailored to identify the target market described in this TMD as part of the eligibility criteria for the product covered by this TMD, and the use of the application process would make it more likely that the product covered by this TMD will be acquired by persons in the target market.

### **Reviewing this document**

We will review this TMD within two years from the effective date to ensure it remains appropriate and in compliance with the objectives, financial situations and needs of the customer.

Furthermore, we will also review this TMD if any event or circumstances (called 'review triggers') occur that would reasonably suggest that the determination is no longer appropriate, such as:

- We make a material change to the cover provided by the product,
- A change in our acceptance criteria that impacts the suitability of the product for the target market,
- Any material changes to the distribution of the product,
- The discovery of a relevant and material deficiency in the product's disclosure documentation,
- Systemic complaints and claims issues which indicate that the product is no longer suitable for the described target market,
- Material and relevant reductions in our key product suitability metrics such as:
  - Number of cancellations and lapses of the product;
  - Data on product claim ratios, the number, nature and size of paid, denied and withdrawn claims and claims experience;
  - Product value and affordability.

We will review this TMD within 10 business days of the occurrence of any review trigger.

## **Reporting**

AWN must record all complaints received about this product on a quarterly basis (Complaints Reporting Period). Our authorised distributors are required to provide to us written details of any complaints that they have received about our product within 2 business days of receipt. If the complaints are systemic and indicate that this product is no longer suitable for the described target market, we will review and update the TMD within the timeframe indicated above.