

HOME BUILDINGS AND HOME CONTENTS INSURANCE

Target Market Determination (TMD)

Effective Date: 20 July 2025

About this document

This Target Market Determination (**TMD**) applies to the **home buildings cover** and the **home contents cover** described in the Allianz Home Insurance (POL1418DIR) Product Disclosure Statement (**PDS**) dated 31 January 2025 and any Supplementary PDS (**SPDS**) issued by the insurer Allianz Australia Insurance Limited ABN 15 000 122 850 AFS Licence No. 234708 (the **Insurer**).

This TMD does not replace the terms and conditions, and disclosures made in the PDS and any SPDS which set out the standard terms, conditions, limits and exclusions of the policy. A customer should refer to these documents before making a decision about a product.

Policies are entered into in accordance with the terms, conditions, limits and exclusions set out in the PDS, any SPDS, the policy details document and any other documents that form part of the policy (**Policy Documents**).

The purpose of this TMD is to describe the class of customers for which the products described in the PDS have been designed, having regard to the likely needs, objectives and financial situation of that class of customers. Examples used in this TMD are illustrative only, and are not intended to be exhaustive.

This TMD is not intended to provide any financial product advice, and does not consider any individual customer's personal needs, objectives or financial situation.

A customer may fall within the target market described in this TMD, but may not meet the Insurer's underwriting criteria on application.

For further information on the Insurer's approach to the distribution and development of products for appropriate target markets go to <https://www.allianz.com.au>.

A. Target Market


Product description (including key eligibility criteria)

Main cover(s):	Home buildings cover:	Home contents cover:
	<p>This cover provides cover for persons that own and occupy the home buildings for:</p> <ul style="list-style-type: none"> - repairing or rebuilding their buildings, or the reasonable cost to do so, if it is damaged or destroyed by certain insured events. We will choose whether to repair or rebuild or pay the cost (acting reasonably); and - certain legal liability to pay compensation relating to the death, bodily injury or illness and/or physical loss of or damage to property caused by an accident in connection with the ownership or occupation of the buildings. 	<p>This cover provides cover for persons who own and occupy the home buildings or a lot in a strata title development for:</p> <ul style="list-style-type: none"> - repairing, replacing, or reimbursing the reasonable costs of home contents that are stolen, damaged or destroyed by certain insured events. We will choose whether to repair, replace or reimburse the cost (acting reasonably); - where the insured address is a lot or unit in a strata title development, fixtures, fittings and/or structural improvements which the insured person is legally responsible for or are owned by the insured person and not insurable by the body corporate; and - certain legal liability to pay compensation relating to the death, bodily injury or illness and/or physical loss of or damage to property caused by an accident which happens anywhere in Australia, or elsewhere in the world, when you are temporarily outside Australia provided you normally reside in Australia during the period of insurance. We will not cover any legal liability you may incur as owner of the buildings unless the buildings are defined as a lot and the contents are insured by this policy.
Insured events:	<p>Subject to eligibility, the home buildings cover and the home contents cover may be purchased together or separately.</p> <p>The home buildings cover and the home contents cover provide cover against certain unexpected insured events that occur during the period of insurance subject to any exclusion periods and/or exclusions, including:</p> <ul style="list-style-type: none"> • fire, smoke, bushfires and grassfires; • explosion; • storm, cyclone or rainwater; • lightning; • flood and/or run-off; • earthquake or tsunami; • sudden escape of liquid; • theft or burglary; • impact damage; • vandalism or malicious damage; • riot or civil commotion; and • breakage of glass or ceramic items. 	
Optional benefit(s):	<p>Not all unexpected events are covered by the home buildings and home contents cover. If applicable, the following optional benefit(s) may be added to the main cover(s) by a customer:</p> <p>Accidental damage – extends cover to include accidental damage or loss occurring at the insured address.</p> <p>Motor burnout – cover for damage caused by an electrical current to a domestic household electrical motor that is less than 10 years old.</p> <p>Portable contents – extends the home contents cover to certain home contents when outside the insured address in Australia and, for up to a maximum of 90 consecutive days, outside Australia.</p> <p>Contents in commercial storage – extends the home contents cover for certain contents items to be covered for loss or damage by an insured event while stored in a commercial storage facility up to \$50,000.</p> <p>Rebuild safety net – extends the buildings sum insured by up to 30% to repair or replace the buildings or for the cost of repair or replacement if the buildings sum insured has been exceeded due to loss or damage caused by an insured event.</p> <p>Optional benefits are subject to the terms, conditions, limits and exclusions set out in the Policy Documents.</p>	


Key eligibility criteria:		Home buildings cover:	Home contents cover:
Key exclusions:		Insured: <ul style="list-style-type: none"> - owns and occupies the home buildings. Buildings are: <ul style="list-style-type: none"> - permanently occupied unless agreed by the Insurer; and - well-maintained, watertight, and structurally sound and secure. 	Insured: <ul style="list-style-type: none"> - owns and occupies the home buildings or a lot in a strata title development. Buildings are: <ul style="list-style-type: none"> - permanently occupied unless agreed by the Insurer; and - well-maintained, watertight, and structurally sound and secure.
		<p>The home buildings cover and home contents cover have specific coverage and exclusions, including:</p> <ul style="list-style-type: none"> - no cover for events that are not insured events, included benefits or any Optional benefits taken. For example, there is no cover for actions of the sea (including storm surge), coal seam gas, nuclear radiation, terrorism and war; - wear and tear and inherent defects where the insured could be reasonably expected to have been aware of the deterioration or wear and tear; - loss or damage caused by a gradual escape of water or other liquid over time where the insured could reasonably be expected to have been aware of this; and - liability in connection with a business, trade or profession. <p>See also Limitations and Ineligible Persons below.</p>	
Limitations:		<p>Claims are subject to sums insured limits, as specified in the Policy Documents. Some of these limits can be adjusted (within a prescribed range) by a customer.</p> <p>Claims for legal liability are subject to a limit of \$20 million.</p> <p>Other claims limitations and conditions are specified in the Policy Documents.</p> <p>Claims may be settled either by repair, replacement or by a cash settlement payment at the Insurer's discretion (acting reasonably) and are subject to the terms, conditions, limits and exclusions set out in the Policy Documents.</p> <p>Liability claims are settled by cash only.</p>	
Excess:		<p>Unless otherwise stated in the policy, claims are subject to having paid the premium and excess (unless otherwise specified), as set out in the Policy Documents.</p> <p>The buildings or contents excess can be adjusted (within a prescribed range) by a customer.</p>	
Exclusion periods:		<p>Loss or damage caused by cyclone, flood, flood water combined with run-off and/or rainwater, grassfires and bushfires may be subject to an exclusion period of 72 hours subject to certain exceptions set out in the PDS.</p>	

Likely needs, objectives and financial situation

Home buildings cover is designed for:

	Likely needs and objectives <p>Persons that own and occupy their home buildings that want cover against:</p> <ul style="list-style-type: none"> - the financial detriment or burden resulting from loss or damage to their buildings caused by certain unexpected insured events, such as fire and theft; and - certain legal liability in connection with their ownership or occupation of the home buildings.
	Likely financial situation <p>Persons who are able to pay premiums in accordance with the chosen premium structure, and any excess in the event of a claim in accordance with the chosen excess option.</p> <p>Based on our assessment of the key terms, features and attributes, the home buildings cover is likely to be consistent with the likely needs, objectives and financial situation of customer's in the target market.</p>

Home contents cover is designed for:

	Likely needs and objectives <p>Persons that own and occupy their home buildings or a lot in a strata title development that want cover against:</p> <ul style="list-style-type: none"> - the financial detriment or burden resulting from the loss or damage of their home contents from an unexpected insured event, such as fire or theft; and - certain legal liability or as owner of the buildings if the buildings are defined as a lot.
	Likely financial situation <p>Persons who are able to pay premiums in accordance with the chosen premium structure, and any excess in the event of a claim in accordance with the chosen excess option.</p> <p>Based on our assessment of the key terms, features and attributes, the home contents cover is likely to be consistent with the likely needs, objectives and financial situation of customer's in the target market.</p>

B. Ineligible Persons

Home buildings cover is not designed for persons:



- that own a residential flat, home unit, terrace or townhouse that forms part of an active strata title or similar development, or a guesthouse, dormitory, commercial building, boarding house, hotel, motel, hostel, nursing home, home caravan or mobile home unless accepted by the Insurer;
- that lease or rent their buildings as a short term or holiday let;
- that lease or rent out their buildings on a commercial basis;
- that operate a business, trade or profession (other than home office) from their property unless that use is accepted by the Insurer;
- whose buildings are located on a farm or hobby farm unless accepted by the Insurer;
- that are demolishing their property;
- that are constructing a new home building, or making significant alterations, additions, demolition, repairs to or decoration of their buildings, unless accepted by the Insurer; or
- whose property is not well-maintained, watertight, structurally sound or secure.

Home contents cover is not designed for persons:



- that want cover for items that are not typically used for domestic purposes and kept in or around home buildings, such as aircraft, boats and farm vehicles and equipment;
- that lease or rent their buildings as a short term or holiday let;
- that lease or rent out their buildings on a commercial basis;
- that operate a business, trade or profession (other than home office) from their property unless that use is accepted by the Insurer;
- whose buildings are located on a farm or hobby farm unless accepted by the Insurer;
- whose property is under demolition;
- that are constructing a new home building, or making significant alterations, additions, demolition, repairs to or decoration of their buildings, unless accepted by the Insurer; or
- whose home contents are located in a property that is not well-maintained, nor watertight, structurally sound or secure.

C. Distribution

Distribution channels

Products under this TMD are distributed online through the Insurer's website and/or by calling our contact centre.

All of these channels are monitored by the Insurer and staffed by persons who have been trained in the distribution of the product covered by this TMD and the Application Process.

Distribution conditions and restrictions

Products under this TMD can only be issued to customers that are eligible for that cover in accordance with the application and/or renewal criteria that has been approved in writing by the Insurer and which complies with the law (**Application Process**).

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.

Products under this TMD are distributed directly by the Insurer only.

Distribution information

The Insurer will monitor and collect the following information in relation to the product and its distribution under this TMD:

Complaints	assessed on a quarterly basis.
Sales data	renewal, cancellation rates, gross loss ratio and claims data on a quarterly basis.
Significant dealings	the occurrence of any significant dealings (a dealing to customers outside of the TMD for a product).

Other

In addition to the distribution conditions, restrictions and information set out above, the Insurer may include other conditions, restrictions and information on the distribution of products under this TMD.

TMD reviews

This TMD shall be reviewed as follows:

First review	Within 12 months from the date of this TMD.
Subsequent reviews	At least every three years after the end of the previous review.
Review triggers	<p>Where an event or circumstance is identified by the Insurer or is notified to it that would reasonably suggest the TMD is no longer appropriate. This may include (but is not limited to):</p> <ul style="list-style-type: none">• a material change to the design or distribution of a product, including material changes to policy documentation or the PDS;• a material alteration to acceptance criteria or underwriting criteria, and the Application Process;• identified systemic issues in the product or the distribution of the product;• relevant material external events such as relevant litigation or adverse media coverage;• relevant feedback, information or notification received from a distributor, regulator such as ASIC or APRA or other interested parties;• significant changes in metrics. These include sales, policy cancellations, lapses in renewals, claims, complaints and loss ratios; and• any significant dealings that are inconsistent with the TMD, <p>to the extent these events or circumstances reasonably suggest the TMD is no longer appropriate.</p>