

Target Market Determination

for Allstate Farm Insurance

Product Disclosure Statement (PDS)	Allstate Farm Insurance Product Disclosure Statement PDS V2.0
Effective Date	06 June 2023
Product Issuers:	For Home Building and Contents Cover: HDI Global Specialty SE – Australia, ABN 58 129 395 544, AFS Licence No 458776 (HDI Global Specialty) and Certain Underwriters at Lloyd's of London for their respective shares. For Home Liability Cover and Motor Vehicle Cover: HDI Global Specialty SE – Australia, ABN 58 129 395 544, AFS Licence No 458776

About this document

This Target Market Determination (TMD) applies to the Home Building and Contents Cover; Home Liability Cover and the Motor Vehicle Cover described in the Farm Insurance Allstate Farm Insurance Product Disclosure Statement PDSV2.0 and any Supplementary Product Disclosure Statement (together **the PDS**) that has been issued by the **Product Issuers** through Allstate Underwriting Agencies Pty Ltd ABN 51 121 066 180, AFS 00306153 (**Allstate**), who acts under a binding authority as agent of the Product issuers . It applies to these covers as they are deemed to be *Retail Insurance* as defined under the Corporations Act 2001. Other covers may also be available, but as they not covered by the Product Design and Distribution Obligations, they do not form part of this TMD.

What is a Target Market Determination?

This TMD provides our distributors and customers information regarding:

- which class of customers this product has been designed for, and which class of customers this product is likely to be unsuitable for;
- any distribution conditions for this product;
- reporting obligations and restrictions on distribution of our distributors; and
- the review period and events that may trigger a review.

This TMD is not intended to provide financial advice, and does not consider a customer's personal needs objectives and financial situation, nor does it form a part of the terms of cover. In addition to the key eligibility requirements outlined in this document, the product is also subject to acceptance criteria.

Terms used in this TMD that are defined for the purpose of Chapter 7 of the Corporations Act, have the same meaning as under the Act.

A customer must always refer to the PDS which outlines the relevant terms, conditions, exclusions and insurance cover being provided under the product, when making a decision about this product.

1. Class of customers that fall within this target market

The Farm Insurance package is designed to offer choices of cover for a class of customers whose likely needs, objectives and financial situation outlined below, are aligned with the product and its key attributes and eligibility criteria.

1.1 Product description and key attributes

The Farm Insurance package can be tailored to suit the individual customer. A customer can choose a minimum of any 2 covers from the broader list of coverages (including sections of cover which are wholesale covers and which do not form part of this TMD) depending on their needs. The *Retail Insurance* sections covered by this TMD are as follows: Home Buildings and Contents Cover, Home Liability and Motor Vehicle Cover.

1.1.1 Relevant Section- Home Building & Contents Cover

Within this cover section, Customers can select cover for Buildings only or Contents only, or both.

	Building Cover	Contents Cover	Home Liability Cover
Main Cover	This cover provides protection to owners or occupiers of farms, for specified residential buildings, including residential buildings leased to tenants caused by accidental and sudden damage.	This cover provides protection to owners or occupiers of farms, for the cost of repairing or replacing residential contents caused by accidental and sudden damage and theft.	<p>This cover provides legal liability cover for death or bodily injury to other people, or loss or damage to other people's property, arising in connection with the insured residential property.</p> <p>This cover also provides legal liability cover for death or bodily injury to other people, or loss or damage to other people's property, as a result of an accident caused by the insured's negligence.</p>
Key Exclusions	<p>The PDS has key exclusions, including but not limited to:</p> <ul style="list-style-type: none"> - No cover for flood - No cover if building has been unoccupied for longer than 100 days - No cover for loss or damage caused by: <ul style="list-style-type: none"> - Gradual deterioration including wear and tear and inherent defects; - insects or vermin - electronic data or computer virus; - Intentional damage caused by the customer or their family; - War, terrorism, nuclear radioactivity; - subsidence; or - machinery breakdown. <p>No liability cover for asbestos, fines, penalties, interest or workers' compensation, among others.</p>		
Limitations & Excess	Cover is subject to the payment of premium and applicable excess and other limitations as specified in the PDS and policy schedule. Total loss claims are subject to the sums insured limits stated in the policy schedule., and		

1.1.2 Relevant Section – Motor Vehicle Cover

Within this section, customers can select any one of the following types of cover required for motor vehicles, or they can select third party damage and fire and theft combined.

Main Cover This cover provides financial protection to owners of motor vehicles for:	Comprehensive Cover for damage to your motor vehicle, including fire and theft Legal Liability following a motor vehicle accident causing loss or damage to a third party's property	Third party damage Legal Liability following a motor vehicle accident causing loss or damage to a third party's property	Fire and Theft Cover for damage to your motor vehicle caused by fire and theft only
Key Exclusions	The PDS has key exclusions including, but not limited to no cover for: <ul style="list-style-type: none"> - Unlicensed drivers - Unroadworthy vehicles - Drivers under the influence of alcohol or any drug - Loss or damage caused by: <ul style="list-style-type: none"> - Wear and tear, rust or corrosion - Pre-existing or old damage Structural, mechanical or electrical failures, malfunctions or breakdowns		
Limitations & Excess	Total loss claims are subject to the market value of the insured vehicle, and all claims are subject to the payment of premium and applicable excess and other limitations as specified in the PDS and policy schedule.		

1.2 What is the target market for these covers?

The relevant covers within this product are designed to be consistent with the following likely objectives, financial situation and needs of customers:

1.2.1 Home Building and Contents Cover

Key Eligibility Criteria	Product has been designed for persons:	Product has not been designed for persons:
Requirement to be part of a Farm	<ul style="list-style-type: none"> • Who own residential buildings and or contents on or connected with Farm properties • Who lease residential buildings and or contents on or connected with Farm properties 	<ul style="list-style-type: none"> • Whose homes or dwellings (or their contents) are not part of or connected with a Farm property. • With Hobby Farms with less than \$10,000 in annual turnover from Hobby farm operations
No Flood Cover	<ul style="list-style-type: none"> • Who do not require flood cover 	<ul style="list-style-type: none"> • Who require flood cover
Minimum Property Size (of the whole Farm)	<ul style="list-style-type: none"> • Whose property is more than 1 acre 	<ul style="list-style-type: none"> • Whose property is less than 1 acre
The condition of the Home Buildings	<ul style="list-style-type: none"> • Whose buildings are in good and well- maintained condition 	<ul style="list-style-type: none"> • Whose buildings are poorly maintained or in bad condition
The location of the Farm	<ul style="list-style-type: none"> • Whose Farm is located on mainland Australia 	<ul style="list-style-type: none"> • Whose Farm is not located on mainland Australia

The Type of Contents	<ul style="list-style-type: none"> Household goods or personal belongings which belong to the customer for which the customer is legally responsible and that are not used for earning income. 	<ul style="list-style-type: none"> Unset precious stones Plants and trees Sporting equipment whilst it is being used Motor vehicles, ride on mowers (other than those included in the definition of contents), motor cycles, caravans, trailers, Pedal cycles whilst in use Office equipment or goods used for earning income
Customer's Likely Objectives, Financial Situation & Needs	<ul style="list-style-type: none"> require and seek financial protection for sudden and unexpected accidental loss or damage to the farm residential buildings and or contents due to an accident, theft or any other incident not excluded by this product require and seek legal liability cover for death or bodily injury to other people, or loss or damage to other people's property as a result of an accident caused by the customer's negligence 	

1.2.2 Motor Vehicle Cover

Key Eligibility Criteria	Product has been designed for:	Product has not been designed for:
The type of vehicle	<ul style="list-style-type: none"> Mechanically propelled motor vehicles designed for use on land only Agricultural vehicle, implement, machine or motorcycle A trailer provided the number of trailers being towed does not exceed the number permitted by Law Goods carrying vehicles, including utilities and small trucks, passenger vehicles 	<ul style="list-style-type: none"> Motor vehicles designed to run on rails Non farming vehicles Grey imports Motorhomes and caravans Vintage cars
How you use your vehicle	<ul style="list-style-type: none"> The Vehicle is used for farm and farm related use Incidental farm contracting use Private use 	<ul style="list-style-type: none"> Motor vehicles used in, or being prepared for experiments, stunts, racing, or other motor sports Motor vehicles used for commercial use, carrying paying customers or driver tuition
The condition of your vehicle	<ul style="list-style-type: none"> Motor vehicles in good repair and condition 	<ul style="list-style-type: none"> Motor vehicles in an unsafe or unroadworthy condition
Customer's Likely Objectives, Financial Situation & Needs	<ul style="list-style-type: none"> require and seek financial protection for loss or damage to the farm motor vehicles due to an accident, fire or theft or any other incident not excluded by this product require and seek legal liability cover for death or bodily injury to other people, or loss or damage to other people's property arising from the use of the customer's farm motor vehicles 	

1.3 Consistency with the target market

Each of these covers, including their key attributes, are likely to be consistent with the likely objectives, financial situation and needs of the respective classes of customers in their Target Markets because:

- they provide cover for the type of loss or damage that customers in the Target Markets are seeking to insure against; and
- the Target Markets for the covers includes those customers who are eligible for the cover.

(Individual customers will need to consider whether these covers meet their specific objectives, financial situation and needs).

2. What distribution conditions apply to this product?

The product application process has been designed to guide customers directly to the product most likely to meet their needs and objectives based on their responses to the questions in our product application.

Allstate’s staff have been adequately trained in the product, the customer(s) it is intended for and the underwriting criteria applicable to the product.

<p>Distribution Restrictions</p>	<p>This product can only be distributed if the following conditions are met:</p> <ul style="list-style-type: none"> ■ It can only be sold via an insurance broker and cannot be sold directly to the public. ■ The insurance product distributor must; <ul style="list-style-type: none"> - be authorised by Allstate to distribute the product and those arrangements must not have been cancelled or suspended; - hold all necessary licensing and accreditation; - agree to comply with all underwriting criteria and levels of authority (as applicable); - agree to not distribute the product where they receive notice from Us that this TMD is not up to date and no new TMD has been provided; and - where a new TMD has been provided, agree to distribute in accordance with the new TMD. ■ The TMD is currently not subject to any ASIC action that might suggest that the TMD is no longer appropriate. ■ Where an insurance broker provides personal advice in relation to the product it is that broker’s responsibility to ensure that the financial product advice provided is in the best interests of the customer having regard to the customer’s objective, financial situation and needs.
<p>Distribution Conditions</p>	<ul style="list-style-type: none"> - This product can only be sold via an offer of cover and acceptance of cover. - This product can be sold to customers within the target market without the customer being provided with any financial product advice or, general or personal advice.

Distribution Method	– This product can only be distributed by an insurance broker through either face to face or telephone contact using the Allstate online platform or manual quoting under the agreement between the broker and Allstate.
----------------------------	--

These distribution conditions make it likely that customers who are issued the product are in the Target Market, as we consider that the distribution conditions are appropriate and will enable us and our distributors to direct the product to the class of customers who fall within the target market set out above. This has been determined based on an assessment of the distribution conditions and the target market.

3. Information required from Distributors and Reporting Periods

Distributors of this product are required to provide the Product Issuer with information in relation to the product covered by this TMD in the circumstances as set out in the table below

Information	Persons required to report	Reporting period
Complaints including: <ul style="list-style-type: none"> - Number received during the Complaints Reporting Period - Summary of nature of each complaint and steps taken to address Distributors should include sufficient details about the complaint that would allow the Product Issuer to identify whether the TMD may no longer be appropriate to the class of customers.	Allstate and other distributors via Allstate	Monthly and no later than 10 business days after the agreed complaints reporting date (<i>Complaints Reporting Period</i>). Notification of the complaint within 2 business days after receipt.
Dealings of the product outside the TMD	Allstate and other distributors via Allstate	As soon as practicable but within 10 Business Days of occurring
Feedback, regulatory orders or directions received from a regulator or AFCA regarding the product	Allstate and other distributors via Allstate	Same day

SIGNIFICANT DEALINGS

If an actual or possible significant dealing outside of the target market is identified, the Product Issuer requires information such as the date (or date range) the dealing occurred, details about the dealing(s) and any steps or actions taken to mitigate.

Distributors should have regard to current ASIC guidelines when determining what may constitute a significant dealing.

Allstate and other distributors via Allstate will notify the Product Issuer of any significant dealing that is not consistent with the TMD as soon as practicable (within 10 business days). This includes but is not limited to a consideration of the nature and degree of harm resulting from the issue of this Product to a retail customer.

4. When will we Review the Target Market Determination

We will review this TMD in accordance with the below:

First Review	Within 12 months of the TMD’s effective date.
Ongoing Reviews	At least every 24 months following the first review period.
Review Triggers	<p>We will also review the TMD on the occurrence of any event or circumstance that would suggest that the TMD is no longer appropriate. These may include, but are not limited to:</p> <ul style="list-style-type: none"> an event or circumstance that would materially impact on or change a factor taken into account when making the TMD that would suggest to Us that the TMD is no longer appropriate, such as a change in underwriting requirements; the product has materially been distributed and purchased in a way that is significantly inconsistent with this TMD; a material change to the product including Product Disclosure Statement, Policy Wording information or assumptions upon which the TMD was formulated like the Application Process, pricing requirements, underwriting guidelines; feedback, such as significant or systemic complaints or claims issues, received from insurance brokers, distributors or customers who purchased the product, which are of a nature that suggest to us that the TMD is no longer appropriate; change of relevant law, regulatory guidance, industry code or feedback from regulators such as ASIC, APRA or other interested parties which has a material effect on the terms or distribution of the product.