

Target Market Determination

for Allstate Farm Insurance

Product Disclosure Statement	Allstate Farm Insurance Product Disclosure Statement PDS 3.1
Effective Date	01/11/2025
Insurer	Mitsui Sumitomo Insurance Company Limited ABN 49 000 525 637, AFS Licence No 240816

About this document

This Target Market Determination (**TMD**) applies to the Home Building and Contents Cover and the Motor Vehicle Cover described in the Product Disclosure Statement (**PDS**) for Allstate Farm Insurance and any Supplementary Product Disclosure Statement (together, **PDS**) which is issued by Allstate Underwriting Agencies Pty Ltd ABN 51 121 066 180, AFS Licence No 00306153 (**Allstate**) on the Insurer's behalf. The TMD applies to Home Building and Contents Cover and the Motor Vehicle Cover of Allstate Farm Insurance sold on or after the Effective Date, until it is replaced or withdrawn. We may review this TMD at any time.

References to "we", "our" and "us" in this document means the Insurer.

What is a Target Market Determination?

This TMD provides our distributors and customers with information regarding:

- which type of customers this product has been designed for, and which type 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 or financial situation, nor does it form a part of the terms of cover provided by the Insurer. In addition to the key eligibility requirements outlined in this document, the product is also subject to acceptance criteria.

A customer must always refer to the PDS and other policy documents to understand the terms, conditions, exclusions and insurance cover being provided before making a decision to purchase this product. Any capitalised terms which are not otherwise defined in this TMD are defined in the PDS.

1. Types of customers that fall within this target market

The Farm Insurance package is designed to offer choices of cover for a type 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 has been designed for owners, operators or occupiers of farming properties located in Australia and can be tailored to suit the individual customer. The sections covered by this TMD are Home Buildings and Contents Cover, 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
Main Cover	<p>This cover provides protection to owners, operators or occupiers of farms, for specified residential buildings, including residential buildings leased to tenants caused by accidental and sudden loss or damage.</p> <p>Additional and optional benefits are also available.</p>	<p>This cover provides protection to owners, operators or occupiers of farms, for the cost of repairing or replacing residential contents caused by accidental and sudden damage, loss and theft.</p> <p>Additional and optional benefits are also available.</p>
Key Exclusions	<p>The cover is subject to terms, limits, conditions and exclusions. Key exclusions, include but are not limited to:</p> <ul style="list-style-type: none"> - No cover for flood. - No cover if a farm building has been unoccupied for longer than 100 consecutive days. - No cover for loss or damage caused by: <ul style="list-style-type: none"> - gradual deterioration including wear and tear and inherent defects; - actions of the sea (including tidal waves, storm surges and/or tsunamis); - insects or vermin; - electronic data or computer virus; - intentional damage caused by the customer or their family; - war, terrorism, nuclear radioactivity; - subsidence; - machinery breakdown; or - malicious damage, vandalism or theft by a tenant. - No liability cover for asbestos, fines, penalties, interest or workers' compensation, among others. 	
Limitations & Excess	<p>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.</p>	

1.1.2 Motor Vehicle Cover

The motor vehicle cover can be further tailored to suit the individual customer based on the type or value of their motor vehicle, the inclusion of additional or specific assets, and the opportunity to purchase additional cover or benefits. Within this section, customers can select any one (1) of the following types of cover required for motor vehicles, or they can select Third Party Damage and Fire and Theft combined.

	Comprehensive	Third Party Damage	Fire and Theft

Summary of Cover	<p>Cover for damage to your motor vehicle, including fire and theft.</p> <p>Cover for your legal liability following a motor vehicle accident causing:</p> <ul style="list-style-type: none"> - loss or damage to a third party's property; and/or - injury to a third party (this cover is strictly limited – please review the PDS for full terms, conditions and exclusions). <p>Additional and optional benefits are also available.</p>	<p>Cover for your legal liability following a motor vehicle accident causing:</p> <ul style="list-style-type: none"> - loss or damage to a third party's property; and/or - injury to a third party (this cover is strictly limited – please review the PDS for full terms, conditions and exclusions). <p>No cover for any damage to vehicle, including by fire and theft.</p> <p>Can be combined with Fire and Theft cover.</p> <p>Additional benefits are also available.</p>	<p>Cover for damage to your motor vehicle caused by fire and theft only.</p> <p>No cover for legal liability to third party.</p> <p>Can be combined with Third Party Damage cover.</p> <p>Additional benefits are also available.</p>
Key Exclusions	<p>The PDS has key exclusions including, but not limited to, no cover for:</p> <ul style="list-style-type: none"> - unlicensed drivers; - unroadworthy vehicles; - drivers under the influence of alcohol or any drug; - loss or damage caused by wear and tear, rust or corrosion, pre-existing or old damage; - structural, mechanical or electrical failures, malfunctions or breakdowns; - vehicles, machines or implements used for farm contracting activities where such activities produce 35% or more of the combined annual turnover for the farm business; and/or - loss, damage or injury otherwise covered, or required to be covered, by compulsory third party insurance or similar. 		
Limitations & Excess	<p>Total loss claims are subject to the market value or agreed sum insured of the vehicle (whichever is the lesser), and multiple excesses (including, for example, a basic excess, age excess or tipping excess) may apply. Please refer to the PDS for further information as to the applicable limitations and excesses.</p>		

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	Cover is suitable for persons:	Cover is not suitable 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.
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 	<ul style="list-style-type: none"> • Whose property is less than 1 acre.

Key Eligibility Criteria	Cover is suitable for persons:	Cover is not suitable for persons:
	acre.	
The condition of the home and 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 or for which the customer is legally responsible and that are not used for earning income, including valuable items. 	<p>Who require insurance for items such as the following (list is non-exhaustive):</p> <ul style="list-style-type: none"> Unset precious and semi-precious stones. Outdoor plants and trees. Animals. 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.
Requirements	<ul style="list-style-type: none"> Do not presently have insurance or adequate insurance coverage for their home building and contents. Can afford the payment of any excess, premium or associated costs for the cover. 	<ul style="list-style-type: none"> Do not require the cover because they already have sufficient protection under another policy or who wish to self-insure. Cannot afford the payment of any excess, premium or associated costs for the cover.
Customer's likely objectives, financial situation and 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. May face financial difficulty if they need to pay for the cost of loss or damage to their home building or contents upfront or out of pocket but can afford to pay any excess and premium or any other associated costs when making a claim under the relevant cover. Are able to pay premiums and excesses in accordance with the chosen premium and excess structure (including any fees and government charges that may apply) and having regard to any applicable personal circumstances, vulnerability or hardship considerations. 	

1.2.2 Motor Vehicle Cover



Key Eligibility Criteria	Cover is suitable for:	Cover is not suitable for:
The type of vehicle	<ul style="list-style-type: none"> • Mechanically propelled motor vehicles designed for use on land only (including mobile plant). • Agricultural vehicles, implements, machines or motorcycles. • A trailer (provided the number of trailers being towed does not exceed the number permitted by law). • Goods carrying vehicles (including utilities, small trucks, and passenger vehicles). 	<ul style="list-style-type: none"> • Motor vehicles designed to run on rails. • Non-farming vehicles. • Grey imports. • Vintage or prestige cars. • Aircraft (including aerial surveillance or drones) or watercraft.
The use of the vehicle	Motor vehicles used for: <ul style="list-style-type: none"> • farm and farm related purposes (including incidental farm contracting use); and/or • private use. 	Motor vehicles used for: <ul style="list-style-type: none"> • experiments, stunts, racing, or other motor sports; • commercial use (including carrying paying customers, driver tuition, or where such use produces 35% or more of the combined annual turnover for the farm business).
The condition of the vehicle	<ul style="list-style-type: none"> • Motor vehicles in good repair and condition (including meeting the registration requirements in the applicable State or Territory, if applicable). 	<ul style="list-style-type: none"> • Motor vehicles in an unsafe or unroadworthy condition.
Customer's requirements	Customers who: <ul style="list-style-type: none"> • Do not presently have insurance coverage or adequate insurance coverage for their motor vehicle. • Can afford the payment of any excess, premium or associated costs for the cover. 	Customers who: <ul style="list-style-type: none"> • Do not require the cover because they already have sufficient protection or who wish to self-insure. • Cannot afford the payment of any excess, premium or associated costs for the cover.
Customer's likely objectives, needs and financial situation	<ul style="list-style-type: none"> • Require cover for loss or damage to farm motor vehicles as a result of an accident, fire or theft, or any other event not excluded by this product; and/or • Require cover for legal liability for loss or damage to third party property, or in respect of a third party's injury (this cover is strictly limited – terms, conditions and limitations apply), caused by the use of farm motor vehicles; • May face financial difficulty if they need to pay for the cost of loss or damage or legal liability relating to their motor vehicle upfront or out of pocket but can afford to pay any excess and premium or any other associated costs when making a claim under this cover; and • Are able to pay premiums and excesses in accordance with the chosen premium and excess structure (including any fees and government charges that may apply) and having regard to any applicable personal circumstances, vulnerability or hardship considerations. 	

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 the relevant target market because:

- they provide cover for the type of loss or damage that customers in the relevant target market are seeking to insure against;
- they are designed specifically for farm owners, operators or occupiers with the key attributes described in the relevant table above;
- their pricing structure, including premium and applicable excess, is designed to be generally affordable for customers who meet the eligibility criteria, such as farm turnover and property size;
- their exclusions and limitations are aligned with the risk profile and expectations of the target market, and are clearly disclosed to support informed decision-making;
- their distribution conditions and methods are structured to ensure the product is offered only to customers whose circumstances are consistent with the TMD; and
- the target market for the covers includes those customers who are eligible for the cover.

(Individual customers will need to consider whether these covers, or any combination therein, 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.

Distribution Restrictions	<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 not to distribute the product where they receive notice from Allstate 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 not currently 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.
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Distribution Conditions	– This product can only be sold via an offer of cover and acceptance of cover.
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 manually quoting as applicable and in accordance with the agreement between that broker and Allstate.

These distribution restrictions and conditions make it likely that customers who are issued the product are in the relevant target market as they are appropriate having regard to the product and enable Allstate and its distributors to direct the product to the specific 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 Insurer, via Allstate, with information in relation to the products covered by this TMD on the following basis:

Information	Persons required to report	Reporting period
Complaints, including: - number received during the relevant reporting period; and - summary of the nature of each complaint and the steps taken to address the complaint. The information included is to provide sufficient details about the complaint to enable the Insurer to identify whether the TMD may no longer be appropriate.	Allstate and other distributors via Allstate.	Monthly, and no later than ten (10) business days after the agreed complaints reporting date. Note Allstate is required to notify the Insurer of the complaint within two (2) business days of receipt.
The cover is issued in breach of the distribution conditions, or to a person outside of the target market.	Allstate and other distributors via Allstate.	As soon as practicable but within ten (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.
Any compliance incident relating to the covers or their distribution.	Allstate and other distributors via Allstate.	As soon as practicable but within ten (10) business days of occurring.

SIGNIFICANT DEALINGS

If an actual or possible significant dealing that is inconsistent with this TMD occurs, the Insurer 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 Insurer of any significant dealing that is not consistent with the TMD as soon as practicable (within 10 business days). This notice shall include, but is not limited to, consideration of the nature and degree of harm resulting from the significant dealing.



4. When will we Review the Target Market Determination

The Insurer, via Allstate, will review this TMD on the following basis:

First Review	Within twelve (12) months of the TMD's Effective Date.
Ongoing Reviews	At least every twenty-four (24) months following the first review.
Review Triggers	<p>The occurrence of any event or circumstance that would reasonably suggest that the TMD is no longer appropriate. This would be the case if it is no longer reasonable to conclude that:</p> <ul style="list-style-type: none"> • if the cover is issued to an insured in accordance with the distribution conditions, that the insured is in the target market for the cover; or • the cover is likely to be suitable for insureds in the target market. <p>Review triggers include, but are not limited to:</p> <ul style="list-style-type: none"> • a material change in the application process, acceptance criteria, the cover's terms and conditions, benefits, limits or exclusion, underwriting or pricing requirements; • a material change in the distribution or purchase of this product which is significantly inconsistent with this TMD; • the receipt of significant negative feedback, such as systemic complaints or claims issues from insurance brokers, distributors or customers who purchased the product; • increased number of customer complaints, declined or withdrawn claims as well as claims payments and frequencies; • increased number of policy cancellation or lapses; • any significant dealings which indicate that the product was sold to someone who is outside the target market; or • a change in 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.