



Target Market Determination

Prestige Home Insurance



Sompo Prestige Home Insurance TMD

Target Market Determination (TMD)

Product TMD applies to:	SOMPO PRESTIGE HOME INSURANCE PDS SJPH V3 10-21 and Policy Wording dated October 2021 (incorporating any applicable Supplementary Product Disclosure Statement) (PDS) in relation to cover provided to retail clients.
TMD made by the Issuer/Insurer	The PDS and this TMD is issued by Sompo Japan Insurance Inc. Australian Business Number 31 000 837 801, incorporated in Japan (Sompo) as set out in the PDS (the insurer/issuer/we, us, our) through our underwriting agent SURA Pty Ltd ABN 36 115 672 350 AFSL 294 313 (SURA).
TMD date	October 2021
Important information about this TMD	<p>The Corporations Act requires us to make this TMD and include certain information in it. Any terms used in this TMD that are defined in the Corporations Act have the same meaning as in that Act.</p> <p>This TMD is not intended to be a consumer facing disclosure document and does not form part of the terms of the product.</p> <p>Any information or examples given in the TMD must not be read as a complete list of eligibility or the standard terms and conditions and limitations that apply to the product.</p> <p>A retail client must refer to the PDS and other policy documents to understand the terms and conditions of the product that will apply and any retail client must refer to the PDS before deciding. The PDS is available at www.sompo.com.au. Any terms used in this TMD have the same meaning as defined in the PDS.</p> <p>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.</p>

Who is our target market for the product?



Some of the key characteristics of a person in the target market for this product are:

- ✔ a person requiring insurance for accidental loss of or damage to a home building that is primarily used as a place of residence and is located in Australia;
- ✔ a person requiring insurance for accidental loss of or damage to general contents or specified contents whilst they are in a home building, or a lot or unit in a strata title development, that is primarily used as a place of residence and is located in Australia, or in other specified locations or situations (Refer to the PDS for details);
- ✔ a person who normally resides in Australia;
- ✔ persons with a claims or criminal history acceptable to us and otherwise that are of a type we are able to insure under our eligibility criteria;
- ✔ a person who we are otherwise prepared to insure.

However, a person is only in our target market for this product where they meet the eligibility criteria for the issue (including new business, renewals and variation as applicable) of the product that has been approved by us in writing (**Approved Eligibility Process**). We advise as part of the Approved Eligibility Process if a person is eligible or not.

As part of the eligibility criteria, a person must:

- ✔ want cover for the type of person(s), property; usage; and loss, damage and/or liability, (as applicable) we can agree to provide cover for under our underwriting rules, subject to the excess(es), terms, conditions, limits, exclusions that apply; and
- ✔ be able to confirm they:
 - can afford the premiums and be able to make payments using the payment options available; and
 - can afford to pay the excess amount(s) we offer and are happy for the applicable excesses to apply (see the PDS for more details).

See **Attachment A** for a summary the product's key attributes and key likely needs, objectives and financial situation of the target market.

Examples of who isn't in our target market



By way of example and at a very high level only, a person won't be in the target market if they:

- ✘ are not represented by an Insurance Broker;
- ✘ do not believe they can afford the price or for whom the payment options are not suitable;
- ✘ do not believe they can afford to pay the excess amount(s) we offer or don't want an excess. (See the PDS for more details);
- ✘ have buildings under construction where the value of any alterations, additions, demolition, repairs to or decoration of the buildings is over \$75,000, unless we agree to provide cover under our underwriting rules, subject to the excess(es), terms, conditions, limits, exclusions that apply;
- ✘ want cover for the types of loss, damage or liability we exclude (see the PDS for full details), such as:
 - actions of the sea including storm surge;
 - wear and tear, including depreciation, gradual deterioration, wear and tear or lack of maintenance;
 - loss or damage caused by cyclone, flood or bush fires in the first 72 hours after the policy is first taken out (it does not apply to renewals). Cover is provided during this time for loss or damage not caused by these events (subject to the excess(es), terms, conditions, limits, exclusions that apply).
- ✘ want cover for contents items that we do not provide cover for, such as money, cheques or other negotiable instruments belonging to your business, trade or profession or equipment that is used, in any way, for business, trade or professional purposes when in use (except when used as part of a home office);
- ✘ want cover for any buildings they rent to tenants, for money, reward or other consideration unless they also live at the insured address, or any granny flat rented to tenants for money, reward or other consideration;
- ✘ want cover for commercial or business use buildings (other than a home office); or
- ✘ do not want their claim to be settled in accordance with the applicable 'How we will settle your claim' section of the PDS and other terms relevant to claims settlement (e.g. When it is not possible to use original materials during the repair or rebuilding process, we will make best efforts to use the nearest available equivalent to the original materials. We will not pay to repair or rebuild property which has not been physically damaged, and/or for loss or damage to any part of a pair, set or collection we will not pay more than the value of the part which is lost or damaged. No allowance will be made for any reduction in the value of the remaining part or parts of the pair, set or collection).

Where a person falls 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.

Any conditions and restrictions on retail product distribution conduct in relation to the product, other than a condition or restriction imposed by or under another provision of the Corporations Act (Distribution Conditions)

The product under this TMD may only be issued on our behalf by SURA which acts under an authority given by us to arrange, enter into, vary and dispose of this insurance and handle and settle claims in relation to it, on our behalf.

SURA cannot distribute the product directly to retail clients. SURA may consider applications by retail clients made through insurance brokers acting on their behalf (that hold an Australian Financial Services Licence for dealing services in relation to general insurance and meet acceptability criteria agreed to by us or SURA).

Cover can only be issued to a retail client by SURA where they meet the eligibility criteria for the issue (including new business, renewals and variation as applicable) of the product that has been approved by us in writing (**Approved Eligibility Process**).

Any Regulated Person acting on our behalf must not engage in retail distribution conduct unless they have been authorised in writing by us to do so and this authority has not been cancelled or suspended.

A Regulated Person must not engage in retail distribution conduct in relation to this product if we have notified them or they are aware that, the TMD is no longer appropriate in accordance with ss994B(8) of the Corporations Act or has been replaced or the product has been suspended or is no longer offered.

Subject always to the above, any other conditions and restrictions on retail product distribution conduct in relation to the product that we have agreed with a Regulated Person in writing, other than a condition or restriction imposed by or under another provision of the Corporations Act.

TMD Review

The TMD will be reviewed within 12 months from the date of this TMD and subsequently every 48 months unless agreed otherwise after the end of the previous review. We will also review the TMD within 10 business days of becoming aware of a Review Trigger specified below and where otherwise required by law.

Review Triggers

These are an event or circumstance that is identified to or by us as part of our Product Governance Framework (or otherwise), including:

- the nature and number of complaints, complaints data and trends;
- customer feedback and testing;
- number of cancellations and lapses of the product;
- data on product claim ratios, the number, nature and magnitude of claims paid, denied and withdrawn and average claim duration;
- information received by and in relation to distributors;
- feedback from a regulator such as ASIC or APRA or other interested parties such as the Insurance Council of Australia and Code Governance Committee;
- changes to information or circumstances we took into account when developing the TMD, such as changes to the Approved Eligibility Process, underwriting guidelines, pricing, or reinsurance requirements or the number of policies sold, including penetration rates; or
- any significant dealings that are inconsistent with the TMD,

that reasonably suggests that it is no longer reasonable for us to conclude that if the cover were to be issued:

- to a retail client in accordance with the Distribution Conditions, it would be likely that the retail client is in our target market; or
 - to a retail client in our target market, it would likely be consistent with the likely objectives, financial situation and needs of the retail client.
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Regulated Persons Reporting

In relation to reporting:

- SURA must report to us; and
- Regulated Persons (other than us or SURA) who have engaged in retail product distribution conduct in relation to the product covered by the TMD (e.g. insurance brokers acting for the retail client) must report to SURA (or such alternative we otherwise notify in writing),

(both referred to as '**you**' below) the following information by the time specified:

- Information on when cover was issued to a retail client that was ineligible for cover in accordance with the Approved Eligibility Process and reasonable details on the circumstances related to this.

To be reported as soon as practicable and in any case within 10 business days, after you become aware of the matter.

- Information on the number of complaints you have received about the product (including if nil) in the month or such other period of time otherwise agreed in writing between us and you that is reasonable having regard to the matters specified in ss994B((7)) of the Corporations Act as well as reasonable details on the circumstances related to the complaint (unless we already have access to such details).

To be reported as soon as practicable and in any case within 10 business days of the above reporting period.

- Information on any significant dealings by you that are inconsistent with the TMD and reasonable details on the circumstances related to this.

To be reported as soon as practicable and in any case within 10 business days, after you become aware of the matter.

- Information as agreed by you in writing with us that would reasonably to enable us to promptly identify Review Triggers or other events and circumstances that have occurred which would reasonably suggest the TMD is no longer appropriate in accordance with ss994B(8) of the Corporations Act.

To be reported within the time frames agreed for each type of information that are reasonable having regard to the matters specified in ss994B((7)) of the Corporations Act.

- Information identified to or by you that would reasonably suggest to you that the TMD is no longer appropriate in accordance with ss994B(8) of the Corporations Act.

To be reported as soon as practicable and in any case within 10 business days, after you form the view.

Attachment A

Key attributes of product

Summary of key attribute

All cover summarised below is provided for an agreed period and subject to terms and conditions (including limits and excesses) agreed with us. Refer to PDS for detail.

Key likely needs, objectives and financial situation of target market

In all cases below the person in the target market's objectives and needs are to transfer risk of the types described below through insurance protection for a period and on terms and conditions (including limits and excesses and price) acceptable to them.

Key likely Financial Situation of target market

In all cases for cover chosen, is a person able to afford to pay premium on terms proposed and bear any uninsured loss and bear any excess applicable to any claim.

Main Benefit (Optional)

Part A – Building Cover

Principally designed to provide cover for certain accidental loss of or damage to the insured buildings during the period of insurance.

Refer to the PDS for what is, and what is not, a building for the purposes of this cover.

The policy does not cover loss, liability, injury or damage caused by or arising from:

- flood; or
- flood water combined with run-off and/or rainwater,

unless the policy schedule shows flood is covered.

Main Protection Event

Persons who want cover for the cost of repair or rebuilding of the damaged part(s) of the building in the event of accidental loss of or damage to the building during the period of insurance, up to the applicable sum insured.

Main Benefit (Optional)	Main Protection Event	
<p>Part A – Contents Cover</p> <p>Principally designed to provide cover for certain accidental loss of or damage to contents when they are in the buildings and which occurs during the period of insurance.</p> <p>Refer to the PDS for what is, and what is not, contents for the purposes of this cover.</p> <p>Specified Contents</p> <p>Some general contents items are only covered up to a specified limit which is set out in the PDS unless we agree to provide cover for these items as specified contents.</p> <p>The policy does not cover loss, liability, injury or damage caused by or arising from:</p> <ul style="list-style-type: none"> • flood; or • flood water combined with run-off and/or rainwater, <p>unless the policy schedule shows flood is covered.</p>	<p>Persons who want cover for the cost of repair or replacement of the damaged contents in the event of accidental loss of or damage to them during the period of insurance, up to the applicable sum insured.</p> <p>If applicable, cover for specified contents will be separately listed and insured for the amount shown on the policy schedule whilst at the insured address. In the event of a claim, any specified contents sum insured is payable in addition to the general contents sum insured.</p>	
Additional Benefits To Above Main Benefits	Additional Protection Events	
<p>(Additional Benefits may only apply to Part A – Buildings Cover and/or Part A – Contents Cover (as applicable))</p> <p>Automatic:</p>	<p>Some additional benefits are payable in addition to the sum insured for buildings or contents (as applicable), others are included in the applicable sum insured.</p> <p>Refer to the PDS for full detail of the cover provided under the additional benefits.</p>	
<p>Additional Cost of Temporary Accommodation Contents Cover Only</p>	<p>Principally designed to cover the rental costs for accommodation for the insured persons and their pets while the building is repaired or rebuilt it suffers accidental loss or damage that would be covered by the policy during the period of insurance. Cover is limited to:</p> <ul style="list-style-type: none"> • \$500 for commercial pet boarding costs; • 10% of the contents sum insured in total; and • for a period of up to 12 months. <p>Persons who want to reduce the potential cost of finding alternative accommodation if their buildings are damaged.</p>	

Rental Costs After Insured Loss or Damage Building Cover Only	<p>Principally designed to cover the rental costs if the buildings have been damaged by an accident and the insured persons or tenants cannot live in them. Cover is limited to:</p> <ul style="list-style-type: none"> • 10% of the buildings sum insured as a combined total in conjunction with any amount paid under the Removal Of Debris, Professional Fees and Extra Expenses benefit; and • for a period of up to 12 months. 	<p>Persons who want to be able to recover some rental costs that would otherwise have been earned if the buildings were not damaged.</p>
Change of Insured Address Contents Cover Only	<p>Principally designed to cover contents at a new and old address for a period of 14 days if the insured persons are moving house to a new address in Australia.</p>	<p>Persons who may be moving address during the period of insurance and want temporary cover for their contents during that time.</p>
Compensation for Accidental Death Building and/or Contents Cover	<p>Principally designed to provide a benefit of \$10,000 to the insured person's estate if they suffer an accidental fatal injury as a result of burglars or fire at the insured address and death occurs within 90 days of the injury.</p>	<p>Persons who want to provide additional protection for their loved ones in the event of their accidental death.</p>
Contents in a Safe Deposit Box at a Bank Contents Cover Only	<p>Principally designed to extend cover for accidental loss or damage (but not theft) to contents while they are kept in a safe deposit box at a bank. Cover is limited to:</p> <ul style="list-style-type: none"> • \$2,000 for any one item, pair, set or collection consisting of jewellery, watches or items containing gold and/or silver; • \$1,000 in total for money, cheques and other negotiable instruments; or • 20% of your contents sum insured for all other contents, <p>in total.</p>	<p>Persons who store contents in a locked safe at a bank and want to reduce the potential exposure of costs relating to the loss or damage to those items.</p>

<p>Contents in the Open Air at Your Insured Address Contents Cover Only</p>	<p>Principally designed to cover contents when they are in the open air at the insured address. Cover is limited to:</p> <ul style="list-style-type: none"> • for loss or damage caused by theft, up to a total amount of: <ul style="list-style-type: none"> – \$1,000 for bicycles; and – \$5,000 for all contents; • for loss or damage caused by storm, rainwater or run-off, up to a total amount of: <ul style="list-style-type: none"> – \$1,000 for bicycles; and – \$2,000 for all contents; • up to a total amount of 20% of your contents sum insured for any claimable loss other than theft, storm, rainwater or run-off. 	<p>Persons who want additional cover for contents stored outside at their address to reduce the potential costs associated with their loss or damage.</p>
<p>Continuation of Cover When You are Selling Your Buildings Building Cover Only</p>	<p>Principally designed to extend cover for the buildings for the period of time between entering into a contract of sale for the buildings and the time the sale is completed or the purchaser takes possession, whichever occurs first.</p>	<p>Persons who want cover for their buildings in case of loss or damage occurring between the time of sale and completion of the sale contract.</p>
<p>Credit Cards – Cover for Loss or Theft Contents Cover Only</p>	<p>Principally designed to provide cover for amounts an insured person is liable to pay following theft of a credit or ATM card, up to \$5,000 any one occurrence of loss or theft of one or more of your cards.</p>	<p>Persons who want to reduce the costs associated with fraudulent use of their credit or ATM cards if they are stolen.</p>
<p>Emergency Storage of Contents Contents Cover Only</p>	<p>Principally designed to reimburse the reasonable costs to move and store undamaged contents while buildings are rebuilt or until the insured person finds alternative accommodation, up to a maximum period of 12 months.</p>	<p>Persons who want cover for costs associated with the storage of contents if their building is damaged and need to be rebuilt.</p>
<p>Environmental Benefits Building Cover Only</p>	<p>Principally designed to provide environmentally friendly systems, such as a rainwater tank or solar power system, when rebuilding following a total loss, up to a maximum of \$5,000.</p>	<p>Persons who may need to upgrade their building to be more environmentally friendly if it needs to be rebuilt and want additional cover for some of these potential costs.</p>
<p>Motor Burnout Building and/or Contents Cover</p>	<p>Principally designed to pay the reasonable costs to rewind or replace a motor (up to 12 years old) of a domestic household appliance which is damaged by an electrical current.</p>	<p>Persons who want to reduce the potential costs associated with repair or replacement of burn out motors in domestic appliances.</p>

<p>Guests', Visitors' and Domestic Helpers' Property Contents Cover Only</p>	<p>Principally designed to pay for the costs to repair or replace property belonging to guests, visitors or domestic helpers and domestic workers, up to a maximum amount of \$5,000, if they are accidentally lost or damaged while in the buildings.</p>	<p>Persons who want cover extended for property belonging to their guests and other visitors in case of an insured event.</p>
<p>Landscaping Building Cover Only</p>	<p>Principally designed to pay the cost of landscaping including the replacement of fixed trees, plants and shrubs that have been lost or damaged by an insured event, up to a maximum amount of \$5,000 in any one period of insurance.</p>	<p>Persons who want to be able to replace landscaping that is damaged by an insured event.</p>
<p>Legal Defence Costs Contents Cover Only</p>	<p>Principally designed to pay for legal fees, costs and expenses that an insured person reasonably incurs with our consent in defending legal proceedings brought against them by a third party in Australia during the period of insurance. Cover is limited to \$5,000 in any one period of insurance.</p>	<p>Persons who want to reduce the risk of exposure to paying legal expenses if legal proceedings are brought against them.</p>
<p>Legal Liability – Cover for Injury to Other People or Their Property Building and/or Contents Cover</p>	<p>Principally designed to provide cover for legal liability incurred for personal injury or property damage to a third party as owner or occupier of the buildings or owner of the contents (as applicable). Cover is up to \$20,000,000 any one accident or accident.</p>	<p>Persons who want to reduce the risk of exposure to paying compensation if they cause an injury to another person or damage another person's property.</p>
<p>Modifications to Your Buildings as a Result of Paraplegia or Quadriplegia Building Cover Only</p>	<p>Principally designed to assist in paying costs for modifications to a building if an insured person becomes a quadriplegic or paraplegic as a direct result of accidental damage to the buildings. Cover is up to \$10,000.</p>	<p>Persons who want to reduce the potential costs of home modifications if they suffer a specified injury.</p>
<p>Mortgage Discharge Costs Building Cover Only</p>	<p>Principally designed to reimburse reasonable legal costs for the discharge and replacement of a mortgage(s) if the buildings are totally destroyed by an insured accident, up to an amount of \$5,000.</p>	<p>Persons who have a mortgage over the insured address and want to reduce the potential costs associated with its discharge if the building are totally destroyed.</p>
<p>Reinstatement of Sum Insured After a Loss Building and/or Contents Cover</p>	<p>Principally designed to reinstate the sum insured following a paid partial loss claim if the sum insured or limit of liability has been reduced by that claim.</p>	<p>Persons who want their sums insured reinstated following a partial loss claim without the need to take out additional insurance cover or pay an additional premium.</p>

Removal of Debris, Professional Fees and Extra Costs Building and/or Contents Cover	<p>Principally designed to pay the reasonable and necessary:</p> <ul style="list-style-type: none"> costs that relate directly to the demolition and removing debris from your insured address; architects', engineers', surveyors' and solicitors' fees that relate directly to the rebuilding of the damaged property; and costs of meeting the requirements of any statutory authority, <p>if buildings have been destroyed by an insured event; or</p> <ul style="list-style-type: none"> costs of removing debris from your insured address if contents have been destroyed or damaged by an insured event. 	<p>Persons who want cover to reduce the potential expenses associated with removal of debris or other expenses if their buildings or contents are destroyed.</p>
Replacement of Locks or Cylinders Building and/or Contents Cover	<p>Principally designed to reimburse costs up to \$1,000 to replace the locks or cylinders of any external door or window if:</p> <ul style="list-style-type: none"> the key is stolen; or there are reasonable grounds to believe that the key has been copied. 	<p>Persons who want to reduce the costs associated with paying for replacement keys or locks if their keys are stolen, or believed to be stolen.</p>
Security Firm Attendance Contents Cover	<p>Principally designed to pay up to \$500 towards the costs of a security firm callout in response to a monitored alarm signal if we have agreed to pay a claim for burglary or theft of your contents.</p>	<p>Persons who have a security alarm and want cover for security company call out fees in the event a burglary or fire sets off the alarm.</p>
Spoilage of Perishable Food Contents Cover Only	<p>Principally designed to pay for spoilage of perishable food in a domestic refrigerator, freezer or deep freeze unit caused by:</p> <ul style="list-style-type: none"> breakdown or failure of the unit or any of its components; escape of the refrigerant or fumes; or accidental failure of the public electricity supply to the buildings; <p>occurring during the period of insurance.</p>	<p>Persons who want cover to replace lost food in the event of a refrigeration failure.</p>
Tax Audit Contents Cover Only	<p>Principally designed to pay up to \$5,000 in any one period of insurance for accountants fees that an insured person reasonably incurs with our consent as a result of their personal taxation affairs being audited by the Australian Taxation Office.</p>	<p>Persons who may want to reduce the risk of costs being incurred if they are audited by the tax office.</p>

Temporary Removal of Contents from Your Insured Address Contents Cover Only	Principally designed to extend cover for accidental loss or damage to contents while they are temporarily removed from the insured address to another location within Australia or New Zealand.	Persons who want cover for their contents while they are temporarily removed from the insured address, for example while being repaired or while the person is in hospital.
Title Deeds Contents Cover Only	Principally designed to pay for the cost of preparing new title deeds for the insured address if they are lost or damaged by an event covered by the policy while they are at the insured address or are held in a secure envelope or a safe deposit box at a bank, up to a maximum amount of \$2,000.	Persons who own the insured address and want cover if their title deeds are lost or damaged.
Transit to Your New Place of Residence Contents Cover Only	Principally designed to extend cover for contents caused by: <ul style="list-style-type: none"> • fire, collision and/or overturning of the conveying vehicle; or • theft from the conveying vehicle; while they are in transit by land within the same State or Territory as your current insured address or within 100 kilometres of the current insured address: <ul style="list-style-type: none"> • to a new intended place of residence; or • to or from a furniture storage facility; whichever is the greater distance.	Persons who may be moving address and want cover for their contents while they are in transit between residences or a storage facility.
Veterinary Costs Contents Cover Only	Principally designed to pay up to a maximum amount of \$500 for any and all claims in any one period of insurance for related veterinary expenses if an insured person's cat or dog is injured in a road accident during the period of insurance.	Persons who have a cat or dog and want additional cover for potential vet expenses if the animal is in a road accident.
Optional Benefits – Flood	An insured can apply for the cover under the policy to be extended to cover flood. Flood cover is only covered where we agree to this and it is shown as insured in the policy schedule.	Persons who are located in a flood risk zone and want to extend cover under the policy for flood related events.
Main Benefit (Optional – Only available if Part A – Contents Cover is taken out)		Main Protection Event
Part B – Personal Effects Cover	Principally designed to provide cover for loss or damage to an insured person's specified or unspecified personal effects caused by an accident anywhere in the world. Cover outside of Australia is limited to 120 continuous days during the period of insurance.	Persons who want to extend cover for personal effects outside of the insured address, for example when travelling overseas or interstate.



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Thank you for receiving this
document electronically.

Sompo Japan Insurance
supports positive initiatives
for our environment.

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