

Target Market Determination

CommInsure Home Insurance Portable
Contents (Packaged or Customised Cover)

Start date: 3 JUNE 2022

Next review due: 3 JUNE 2024

Review period: At least every 24 months from the start date of this Target Market Determination

What is a Target Market Determination?

A Target Market Determination (TMD) describes the cohort of customers that the product is targeted at (the Target Market) and any conditions around how the product is distributed to customers (the Distribution Conditions).

It also describes the events or circumstances where we are required to review the Target Market Determination for a financial product (the Review Triggers).

Why does CommBank need to have Target Market Determinations?

We're required to have Target Market Determinations under law. The purpose of the law is to make sure customers are at the centre of our approach when designing and distributing our financial products. This document is not a substitute for the product's terms and conditions or other disclosure documents.

When making a decision about this product, customers must refer to the relevant Product Disclosure Statement (PDS), Terms and Conditions or other disclosure documents.

Target Market

The table below matches the Product Attributes to the Objectives and Needs of the Target Market for this product. CommInsure has assessed that the product including its Key Attributes are likely to be consistent with the Objectives and Needs of the Target Market.

Objectives and Needs	Product Attributes
<p>Require insurance for Portable Contents Items (or those of a family member) for accidental loss of or damage</p> <p>For a complete definition of Portable Contents Items please refer to the Product Disclosure Statement and any applicable Supplementary Product Disclosure Statement</p>	<p>Provides cover (subject to exclusions) for accidental loss of or damage to Portable Contents Items:</p> <ul style="list-style-type: none"> • at the insured address in Australia (unless lost); • anywhere in Australia or New Zealand; or • anywhere else in the world for up to the first 30 days of travel per trip. <p>The Insured Events covered by the product are:</p> <ul style="list-style-type: none"> • Accidental glass breakage; • Animal damage; • Burning out of electric motors and power surge; • Earthquake; • Explosion; • Fire; • Flood; • Lightning; • Malicious act including vandalism; • Riot and public disturbances; • Storm; • Sudden escape of liquid (does not include gradual escape of liquid) • Sudden impact (such as vehicle impact or collapsed power pole); and • Theft or attempted theft.
<p>Ability to insure Portable Contents Items for a maximum item value and an overall claim limit</p>	<p>Option to select 'Packaged Cover' for Portable Contents Items for a maximum of up to \$1,000 per item, with an option to nominate a maximum overall claim limit up to \$7,500 per claim, including but not limited to:</p> <ul style="list-style-type: none"> • jewellery and watches; • GPS, gaming devices, laptops, tablets, e-readers and other similar portable electronic devices; • cameras and accessories; and • clothes, accessories, handbags or luggage.



Objectives and Needs	Product Attributes
Ability to insure specific Portable Contents Items up to a nominated value	Option to select 'Customised Cover' for individually listed Portable Contents Items for a nominated replacement value, including but not limited to: <ul style="list-style-type: none"> • jewellery and watches; • GPS, gaming devices, laptops, tablets, e-readers and other similar portable electronic devices; • cameras and accessories; • clothes, accessories, handbags or luggage; and • mobile phones including smartphones (this cover is only available under Customised Cover).
Ability to pay premium by instalments	Option to pay premiums on a monthly or annual basis.
Ability to pay a single, standard excess for each claim	A standard excess of \$100 will be required to be paid in the event of a claim.

Financial Situation

The Financial Situation of the Target Market are customers that:

- want protection against unexpected loss as a result of loss of or damage to their Portable Contents.

CommInsure views that its processes in place will mean that the Product will likely be consistent with the Financial Situation of the Target Market.

Customers outside of the Target Market

This product is not targeted at customers:

- who do not own or are not legally responsible for Portable Contents Items;
- whose Portable Contents Items are used in the course of a business, profession or trade; and
- who require insurance for:
 - mobile phones (including smart phones) unless the item is listed individually under Customised Cover; and
 - remote control aircraft and drones, whilst in use, or with a wingspan of more than 1.5 meters.

Eligibility criteria for the Product

To hold this product, customers will need to satisfy certain eligibility criteria, including that customers must:

- be individuals aged 15 years and above (unless by exception), or a company;
- be individuals that have an Australian residential address;
- meet CommInsure's underwriting guidelines, which outline specific policy



acceptance criteria. Some factors that increase the risk and may be unacceptable will be reviewed at the time of application or renewal, and may include:

- the value of the Portable Contents Items;
- criminal history (such as fraud or dishonesty); and
- insurance history (such as previous insurance refused).

Distribution Conditions

CommInsure will have oversight over how the product is promoted and issued. The below table identifies the distribution channels which the product can be sold through and sets out the conditions that apply to each channel. CommInsure views that the conditions specified are appropriate and are of a nature that it will be likely that the product will be distributed to the target market.

The product can be purchased as a standalone cover, or in a bundle with Contents and/or Buildings cover (for Residential policies only). The Target Market Determinations for these products can be found at commbank.com.au/tmd

Proprietary:

Distribution Channels	Conditions that make product distribution through the channel appropriate
Staff assisted channels (e.g. customer service specialists, small business bankers, private bankers and relationship managers)	<p>CBA and CommInsure staff that distribute this product:</p> <ul style="list-style-type: none"> • are appropriately trained to understand and discuss the terms and conditions of the product and the key difference between insurance products; • must follow procedures that outline application eligibility and processes, including sales guidelines and scripting; and • are monitored through controls such as sample call monitoring or sales conduct incidents to ensure proprietary distribution adheres to procedures.
Online channels (e.g. CommBank website, NetBank and the CommBank app)	<p>CBA's online channels provide our customers:</p> <ul style="list-style-type: none"> • information about the products with a summary of Insured Events, Additional Benefits and Optional Covers; • the ability to customise quotes; and • availability of live web-chat.



Third Party:

Distribution Channels	Conditions that make product distribution through the channel appropriate
This product cannot be distributed through third parties	N/A

Review Triggers

If any of the below review triggers occur, or if an event or circumstance has occurred that would reasonably suggest that the TMD may no longer be appropriate, CommInsure will undertake a review of this TMD:

Information Type	Description
Customer Outcomes	Unexpected trends in customer outcomes which are inconsistent with the intended product performance, including the following: <ul style="list-style-type: none">• increased or decreased numbers of declined claims which show the TMD may no longer be appropriate for the product;• increased or decreased numbers of policy cancellations; and• increased numbers of policyholders under 15 years old.
Complaints	Unexpected trends in complaints received from customers who acquired the product, for example: <ul style="list-style-type: none">• distribution (e.g. misrepresentation or miss-selling from staff);• product suitability (e.g. sale of a Contents Insurance policy to a customer who requires commercial insurance); and• product attributes (e.g. Insured Events).
Incident Data	A material incident or increased number of incidents identifying potential breaches of our legal or regulatory obligations in relation to the product design or its distribution.
Changes to the Product	The material alteration of the product or product terms and conditions (e.g. adding to, removing or changing a key product attribute; significant change to distribution channel and distribution strategy).
Significant Dealings	Any significant dealing of the product to customers who are outside of the Target Market.



Information Type	Description
Notification from ASIC	The receipt of a product intervention power order from ASIC requiring CBA or Commlnsure to immediately cease retail product distribution conduct in respect of the product.
Other Events or Circumstances	Any other event or circumstance that CBA or Commlnsure views would materially change a factor taken into account in making the TMD.

Review Trigger Information Reporting Requirements

The following information must be provided to CBA or Commlnsure by all third parties responsible for the retail product distribution conduct of this product in accordance with this TMD, within the required time frames:

Information Type	Description	Time Frame for Reporting
Product Complaints Data	Information relating to complaints received including number of complaints, third party distributor identifier information, product name and complaint verbatim.	Monthly, and in any case no later than 10 business days from the end of the month.
Significant Dealings	Any significant dealing of the product to customers who are outside of the Target Market.	As soon as practical, and in any case, no later than 10 business days after becoming aware.

Product Issuer: Commonwealth Insurance Limited ABN 96 067 524 216, AFSL 235030 (CIL). Commlnsure is a registered business name of CIL. CIL is a wholly owned non-guaranteed subsidiary of Commonwealth Bank of Australia ABN 48 123 123 124 (Commonwealth Bank) and is the insurer for this product. The Commonwealth Bank and its related entities are jointly referred to in this document as the Commonwealth Bank Group.

