

Target Market Determination

for Owner Builder Warranty Insurance cover issued in in South Australia, Queensland, New South Wales, and the Australian Capital Territory

About this document

This Target Market Determination (TMD) applies to the Owner Builder Warranty Insurance products issued in South Australia, Queensland, New South Wales, and the Australian Capital Territory. It seeks to offer customers, distributors and employees an understanding of the class of customers for which these products have been designed, considering their needs, objectives and financial situation.

This document is not intended to provide financial advice regarding coverage, 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. Customers must refer to the Product Disclosure Statement (PDS) and any supplementary document(s), which outline the relevant terms, conditions, exclusions and insurance cover being provided under the products, when making a decision about these products.

1. Issuer

Assetinsure Pty Ltd, ABN 65 066 463 803, AFS Licence No. 488403

2. Date from which this Target Market Determination is effective

26 September 2023

This Target Market Determination is effective from the date shown above. This Target Market Determination will apply to policies that are purchased on or after that date. For historical versions of this document, please contact your insurer or distributor, including by reference to the AOBIS website at aobis.com.au.

3. Class of customers that fall within this target market

The Owner Builder Warranty Insurance products are designed to provide 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.

3.1 Product description and key attributes

The product is designed to protect subsequent property purchasers from a breach of warranty for work carried out by the Owner builder if the Owner builder has become insolvent, died or disappeared after the property purchase. The warranty covers:

- materials used being reasonably fit for purpose and all materials used being new unless otherwise stated in the contracts;
- the work has been carried out in accordance with state building regulations;
- The work is of good workmanship in accordance with the contract plans and fit for purpose;
- the building is fit for occupation.

The warranty period covers 5 years after the practical completion of the work, which is either the issue of the occupancy permit or 18 months after the issue of the building permit if no occupancy permit was issued. The value of the work must be \$ 16,000 or more.

Refer to the relevant Product Disclosure Statement for a more complete understanding of the cover.

Summary of key attributes	This product is appropriate for	This product is not appropriate for
The type of property owner covered	# This product provides cover for Owner builders holding a permit for the building work # At the time of purchasing the insurance, the policyholder is the owner builder of the property # This Policy provides that the cover provided by this Policy does not extend to an interest in the Dwelling that is not your interest - see Condition f) of this Policy.	# Owner builders who are registered builders # Owner builder must not be dead, disappeared or insolvent at time of purchase. # Building work carried out valued less than \$16,000. # Work for which an occupancy certificate has been issued more

	<ul style="list-style-type: none"> # The value of the building work must be not less than \$16,000. # Owner Builder must have intention to sell the property within the warranty period. 	than 5 years ago or the building permit was issued 6.5 years ago.
The type of property you own	<p>This product provides cover for:</p> <ul style="list-style-type: none"> # buildings used, or intended to be used, as a residential dwelling. # Where the building works are completed or practically completed which is where the work is completed except for any omissions or defects that do not prevent the building from being reasonably capable of being used for its intended purpose or the earliest of whichever of the following dates can be established for the work: (a) the date of issue of an occupation certificate or (b) the date that is 18 months after the issue of the Owner-Builder permit for the work. 	<ul style="list-style-type: none"> # Commercial use buildings. # Building works that are based on faulty design as a defect due to faulty design is excluded from the cover

3.2 Needs and objectives

This product has been designed for people who have undertaken building work as an owner builder and require warranty insurance cover to the advantage of a new purchaser of the property.

Needs and objectives	Owner Builder Warranty
Require warranty cover for building works in response to a potential buyer's requirement	YES
Require warranty cover for building works to increase the saleability of the property	YES
Require warranty cover for building works that are valued \$16,000 or more.	YES
Own and want to sell a property in Victoria or Western Australia	NO
Own and want to sell a property in South Australia, Queensland, New South Wales, Australian Capital Territory	YES

PDS has specific coverage and limitations.

3.3 Financial situation

A person who is able to pay premiums in accordance with the chosen premium structure, fees and government charges, having regard to personal circumstances and vulnerability or hardship considerations.

3.4 Consistency with the target market

The insurance products including their key attributes are likely to be consistent with the likely objectives, financial situation and needs of the class of customers in the target market, as we consider that it provides the required type of insurance cover for that class of customers. This has been determined based on an assessment of the insurance products including their key attributes. Individual customers will need to consider whether these insurance products meet their specific objectives, financial situation and needs.

4. How these products are to be distributed and distribution conditions

The following distribution conditions apply:

- These products are designed to be distributed by us or our distributors through the following means, where authorised:
 - By contacting a call centre
 - Via a broker
- These products can only be issued to applicants where they are eligible for that cover in accordance with the application and/or acceptance criteria that has been approved in writing by the issuer and which complies with relevant laws
- These products can only be distributed by us or distributors where we or our distributors have received training and relevant accreditation (if required) and have met annual compliance reviews.

The distribution conditions will make it likely that customers who acquire the insurance products are in the target market, as we consider that the distribution conditions are appropriate and will enable us and our distributors to direct the insurance products 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.

5. Reviewing this Target Market Determination

We will review this Target Market Determination in accordance with the below.

Initial review	Within two (2) years of the effective date
Periodic reviews	At least every two (2) years from the initial review
Review triggers or events	Any event or circumstances arise that would suggest the TMD is no longer appropriate. This may include, but is not limited to: <ul style="list-style-type: none"> • A material change to the design or distribution of the insurance cover, including related documentation • An alteration in acceptance criteria or underwriting criteria • Systemic issues across the product lifecycle • Distribution conditions are no longer appropriate • It is determined that a significant dealing has occurred • Where applicable, feedback from distributors and customers • External events such as adverse media coverage or regulatory attention, and • Significant changes in metrics including claims, loss ratios, and complaints

Where a review trigger has been identified, this Target Market Determination will be reviewed within 10 business days.

6. Reporting and monitoring this Target Market Determination

We will collect and may require our distributors to report on the following information in relation to this TMD:

Complaints	All complaints in relation to this product on a monthly basis. This will include written details of the complaints.
Sales data	Relevant sales and customer data in relation to these products on a monthly basis.
Claims data	Where relevant, claims data in relation to these products on a monthly basis.
Significant dealings	Report if we or they become aware of a significant dealing in relation to these products that is inconsistent with the TMD within 10 business days.

7. PDS to which this Target Market Determination applies

This TMD applies to the following PDSs:

PDS Reference	
AOBIS Owner-Builder Warranty Insurance New South Wales	AOBIS Owner-Builder Warranty Insurance Queensland
AOBIS Owner-Builder Warranty Insurance Australian Capital Territory	AOBIS Owner-Builder Warranty Insurance South Australia