



Insurance Manufacturers of Australia (IMA) Policy on Developing & Distributing Retail Insurance Products

Why this is important

1. This Policy sets out Insurance Manufacturers of Australia (**IMA**)'s approach to developing and distributing Retail Insurance products for an identified class of customers (**Target Market**).
2. This Policy is designed to produce these outcomes:
 - a) Our Retail Insurance products are developed in line with the likely needs, objectives, and financial situations of the Target Market
 - b) Our Retail Insurance products are sold in a way that is appropriate and accessible to the Target Market, and
 - c) IMA meets its legislative and regulatory requirements.

How we Develop and Distribute Retail Insurance Products

Our Commitment and Approach

3. We are committed to meeting the likely needs, objectives and financial situations of the customers who belong to the relevant Target Market across all stages of the product lifecycle, while also balancing the interests of our shareholders, regulators, and the broader community.
4. To help us meet our commitment, we have adopted principles, practices and governance that apply to all aspects of the design, development, and management of our insurance products including our Retail Insurance products.

Developing our Retail Insurance Products

5. When we develop our Retail Insurance products, we begin with an assessment of the likely needs, objectives, and financial situations of the Target Market.
6. Following this, we complete several product development steps considering the intended Target Market. This includes steps such as the design of product features and coverage, preparation of product disclosure documents, product testing, and the design of appropriate monitoring to measure customer outcomes for the intended Target Market. We keep records of decisions made as we develop products.
7. We publish information about the intended Target Market for each of our Retail Insurance products. This is called the Target Market Determination (**TMD**) for each product.
8. We will make sure that the TMDs are publicly available and are referred to in the promotional material for our Retail Insurance products.

Distributing our Retail Insurance Products

9. We distribute our Retail Insurance products directly to customers, including through contact centres, via online facilities, as well as through our branch networks.
10. We will take reasonable steps to make sure our Retail Insurance products are distributed in line with their TMDs, including:
 - a. Determining the most appropriate distribution method for our products,
 - b. Training staff and assessing their skill to perform required duties,
 - c. Monitoring feedback from customers and taking appropriate action in response, and
 - d. Following our regulatory requirements, principles, practices, and governance that apply to all aspects of the design, development, and management of our Retail Insurance products.

Reviewing our Retail Insurance Products

11. We regularly monitor and review our Retail Insurance products and TMDs to assess whether they remain appropriate for their Target Markets. We will adjust our Retail Insurance products or TMDs if required.
12. If we identify that a Retail Insurance product may no longer meet the likely needs, objectives and financial situations of the Target Market for which it was developed or is no longer in line with IMA's purpose or strategy, we will change or remove the Retail Insurance product as appropriate.

Definitions

13. In this Policy:

“Retail Insurance” means a general insurance product issued by IMA that is, or will be, provided to an individual or for use in connection with a small business, and is one of the following types:

- a. motor vehicle insurance product;
- b. a home building insurance product;
- c. a home contents insurance product;
- d. a sickness and accident insurance product;
- e. a consumer credit insurance product;
- f. a travel insurance product; or
- g. a personal and domestic property insurance product, as defined in the *Corporations Act 2001 (Cth)* and the relevant regulations.

“Target Market” means an identified class of customers for a Retail Insurance product.

“Target Market Determination” or **“TMD”** means a determination about the group of customers that is the target market for one of our retail products.

Contact for questions and more information

14. If you have any questions or would like more information about this Policy, please contact us at member_relations@racv.com.au and one of our team members will assist you.