

Target Market Determination

Effective Date: 1st October 2025

This target market determination (TMD) document has been designed to help our customers, representatives and our staff understand who the Rental Cover Car Rental Protection (the product) is suitable for (target market). We may review this TMD at any time.

In this TMD, the terms 'we', 'us' or 'our' refer to Sovereign Insurance Australia Pty Ltd, ABN 85 138 079 286, AFSL 342516 (Sovereign Insurance Australia). When making a decision about this product, customers should consider the Rental Cover Car Rental Protection Product Disclosure Statement (**PDS**) to decide whether the product is right for them. The PDS can be found in your quote or your RentalCover.com account.

Our Product

Rental Cover Car Rental Protection can provide protection for amounts charged by rental companies following an incident involving a rental vehicle such as excess payable on Collision Damage Waiver cover offered under vehicle rental arrangements (CDW) and other damage-related fees that the rental companies typically exclude from their CDW.

Below is a description of the key terms, features and attributes that affect whether this product is likely to be suitable for a customer's needs, objectives and circumstances and which affect the determination of the target market.

Key Feature	Description of Feature
Insurance Product	This product is a contract of insurance.
Protection for charges passed on by the rental vehicle company	The product provides protection when a customer is charged for excess under a CDW and other damage-related fees not covered under the CDW.
Other fees and charges	The product may also provide protection for <ul style="list-style-type: none">● Towing fees following physical loss or damage to or mechanical breakdown of the rental vehicle.● Administration or similar fees charged for processing damage claims● Drop off of damaged vehicle fees

	<ul style="list-style-type: none"> • Loss of use charged by rental companies for loss of use while the vehicle is being repaired.
Limit of protection	Rental Cover Car Rental Protection offers protection up to the amount stated on the protection certificate for its customers, who include anyone listed as a driver on the rental agreement.

Who is the Target Market for Our Product

Rental Cover Car Rental Protection has been designed for people who may experience a financial burden should a rental company pass on excess costs and charges relating to damage to a rental vehicle when there is damage to a rental vehicle during the hire period (damage waiver excess costs) and other charges not typically covered by CDW (the likely objectives, financial situation and needs).

The product is likely to be consistent with these likely objectives, financial situation and need because it provides protection for damage waiver excess costs and the customer's liability to pay damage related fees passed on by the rental vehicle company.

This product is suitable for customers who...

- are between the ages of 19 and 99 years;
- are a resident of Australia and who are hiring a rental vehicle in any country that is not restricted by international sanctions or excluded by this policy;
- require protection for the costs and fees charged by a rental company for damages to the rental vehicle; and
- have purchased or will purchase the Collision Damage Waiver (CDW) insurance from the rental company, prior to use of the rental vehicle.

This product is not suitable for customers who...

- are not a resident of Australia;
- are renting a vehicle that is not a standard passenger car, such as caravans, motorcycle, motor home, scooter, moped, campervan or lorries;
- are driving off-road or on unsealed roads;
- are using the rental vehicle for commercial purposes, for example making deliveries or ride/car-sharing services;

- are driving the vehicle in a region or area where a non-standard driver's licence is required; or
- require protection for third party personal injury or property damage.

Full details of the benefits, its limits and any excess should be reviewed by checking the Product Disclosure Statement (PDS) before purchasing Rental Cover Car Rental Protection.

Distribution of the product

This product can only be distributed by our agent Cover Genius Pty Ltd ABN 43 159 983 598 (Cover Genius) via:

- the website www.rentalcover.com; or
- Our Authorised Representatives. We have chosen these Authorised Representatives to distribute Rental Cover Car Rental Protection. These Authorised Representatives will only distribute the Rental Cover Car Rental Protection product to customers through travel services booking platforms.

Cover Genius can only distribute our product through Authorised Representatives that have received adequate training from us and when they follow the guidance we give to them regarding selling the product. For example, online content and sales scripting will include threshold questions to confirm that any potential customers meet the key eligibility criteria for the product.

The above distribution conditions make it likely that the product will only be distributed to consumers that fall within the target market described in this TMD because:

- Cover Genius and its Authorised Representatives have knowledge of the product's benefits and conditions; and
- The sales processes are specifically designed to identify customers outside the target market and prevent the product being sold to those customers.

Reviewing Our Target Market Determination

It is important that we review this TMD to make sure it is appropriate for the needs of our potential and existing customers. When we review this TMD, we will consider information collected by our representatives. This information covers:

- Eligibility for protection
- Sales information
- Customer information
- Claims information
- Feedback and complaints
- Cancellations

The first review will take place 2 years from the effective date of this TMD and then we will review this TMD each subsequent year to ensure it is still appropriate.

Review Triggers

Certain events and circumstances taking place could mean that a review should take place earlier than the annual review. This is because the TMD could no longer be appropriate. These events and circumstances are called review triggers. Below is a list of review triggers for this TMD:

- We make a significant change to the eligibility criteria for Rental Cover Car Rental Protection
- We make a significant change to Rental Cover Car Rental Protection, including the protection provided
- We make a significant change to the way Rental Cover Car Rental Protection can be distributed by our representatives
- We receive a significant number of complaints which reasonably suggest that the TMD is no longer appropriate.
- Claims data suggests that the product is being distributed outside of the target market.
- We identify that we or our representatives have been selling Rental Cover Car Rental Protection to people outside the target market
- Changes to our product suitability metrics suggests that the TMD is no longer appropriate, taking into account:
 - Customer satisfaction;
 - Product acceptance;
 - Financial performance;
 - Benefits to customers; and
 - Product value and affordability.
- Feedback, orders or directions from a regulator or external dispute resolution body like AFCA suggests the TMD is no longer appropriate.

Our representatives also consider whether a review trigger has taken place. If they think an event or occurrence is a review trigger, they must tell us within 10 business days.

If we decide we have enough information to identify that a review trigger has occurred, we will review this TMD within 10 business days of our decision.

Records

We will keep records of any actions we take to make sure this product is distributed only to customers who fit this TMD. We will also keep records of any decisions and reasons for:

- The TMD for Rental Cover Car Rental Protection
- How we set review triggers

- How we decide if a review trigger has taken place
- How often we review this TMD
- The general information in this TMD.

Reporting

We record all complaints that we receive about Rental Cover Car Rental Protection. Our representatives must also record any complaints related to Rental Cover Car Rental Protection. They must report these complaints to us quarterly.

Cover Genius is required to report to us on a monthly basis with incident-based reporting on key metrics (see the heading 'Reviewing our Target Market Determination'). Cover Genius must also report sales data to us on a monthly basis including the number of products issued and cancelled.

If our representatives believe that Rental Cover Car Rental Protection has been sold to a customer who does not fit with this TMD, they must report this to us within 10 business days.

Rental Cover Car Rental Protection is issued by Sovereign and distributed by its agent Cover Genius Pty Ltd ACN 159 983 598 AFSL 490058. Please read the Product Disclosure Statement before considering whether Rental Cover Car Rental Protection is right for you.

This document was prepared on 1st of October 2025.