

Target Market Determination (TMD)

Everyday Pet Insurance

Names of products

Everyday Pet Insurance - Basic plan
Everyday Pet Insurance - Standard plan
Everyday Pet Insurance - Comprehensive plan
Everyday Pet Insurance - Comprehensive Plus plan
Product Disclosure Statement (PDS) dated 17 July 2023

What is a Target Market Determination

This Target Market Determination (TMD) sets out the class of customers that each product has been designed for and is suitable for. It sets out the target market for each product, conditions and restrictions placed on their distribution, events and circumstances that would reasonably suggest that the TMD is no longer appropriate and review periods and reporting obligations for the TMD.

This TMD does not provide any financial product advice on the products and does not take into consideration the objectives, financial situation and needs of individual customers.

The terms and conditions of each product are set out in the PDS. This TMD does not form part of the insurance contract and is not a summary of the products' terms and conditions. Customers should review the PDS before making any decision in relation to the products.

Any terms used in this TMD that are defined in the *Corporations Act 2001* (Cth) have the same meaning as in that Act.

This TMD is available to any person at <https://insurance.everyday.com.au/pet-insurance/useful-documents.html>

Effective date of this TMD: 17 July 2023

Issuers

This Target Market Determination is made by the issuers of the respective products:

PetSure (Australia) Pty Ltd ABN 95 075 949 923, AFSL 420183 (PetSure) is the issuer of Everyday Pet Insurance policies first issued on or after 17 July 2023.

The Hollard Insurance Company Pty Ltd ABN 78 090 584 473, AFSL 241436 (Hollard) is the issuer of Everyday Pet Insurance policies first issued prior to 17 July 2023.

Product description and key attributes

The products have been designed for people who want cover towards eligible veterinary expenses incurred by the owners of cats or dogs. The key attributes of the products are briefly described below:

	Basic plan	Standard plan	Comprehensive plan	Comprehensive Plus plan
Cover type	Cover for both specified accidental injuries and illnesses			
Benefit percentage	Up to 80% of eligible vet bills			
Annual benefit limit	Up to \$5,000 per year	Up to \$10,000 per year	Up to \$24,000 per year	Up to \$30,000 per year
Sub-limits	Some condition related sub-limits apply to conditions and treatments such as tick paralysis, cruciate ligament conditions and hip joint surgery			
Excess	Excess options can be selected			
Option(s)	Nil	Nil	Routine Care (non-insurance benefit)	Routine Care (non-insurance benefit)

Other key attributes of these products include:

- they do not provide comprehensive cover for preventative care costs and general pet maintenance costs like grooming and pet food; and
- cover is subject to annual limits, sub-limits (which can increase from time to time to help keep pace with the cost of veterinary care), terms, conditions and exclusions. Examples of key exclusions include: waiting periods at the inception of a new policy and coverage exclusions for chronic pre-existing conditions.

Likely objectives, financial situation and needs of customers in the target market

The likely objectives, financial situation and needs of customers in the target market is contribution towards eligible veterinary expenses that they incur, to help ensure their pet can receive appropriate treatment and to reduce (and not cover in full) the cost to the customer of that treatment.

Customers in the target market will be able to afford to pay:

- premiums for the product, which will increase from year to year;
- the full amount for treatment upfront to the vet before seeking claims reimbursement for the eligible expenses, unless using the GapOnly® claims payment platform (in which case, customers need to be able to pay upfront the 'gap' payment - the 'gap' means the difference between the vet's invoice for eligible expenses and the claim benefit calculated under the policy terms and conditions, if any); and
- any veterinary expenses above the accepted claim amount, including:
 - costs above the applicable benefit percentage (up to 80% of eligible veterinary expenses);
 - the excess (where applicable)
 - costs above the applicable annual benefit limit (up to \$5,000, \$10,000, \$24,000 or \$30,000 per year depending on the selection chosen); and
 - costs above the applicable sub-limits.

Target market for the products

The overall target market described below applies to each product. Each product also has its own parameters which apply in addition to the overall target market.

Who these products may be suitable for	Who these products may not be suitable for
<p>A person is in our target market for the products if they:</p> <ul style="list-style-type: none"> • are 18 years of age and older; • have a domestic dog or cat that is legally available in Australia; • want cover towards costs associated with a range of specified accidental injuries and illnesses that their pet may experience; and • can afford to pay the applicable premium, upfront vet expenses before submitting a claim (unless GapOnly® is used), and vet expenses that are above the accepted claim amount. 	<p>A person will not be in our target market for the products if they:</p> <ul style="list-style-type: none"> • are seeking cover for known chronic pre-existing conditions; • are seeking total reimbursement of veterinary expenses for all illnesses or accidents and/or preventative treatments and ownership costs that their pet may experience; and/or • cannot afford to pay the applicable premium, upfront vet expenses before submitting a claim (unless GapOnly® is used), and/or vet expenses that are above the accepted claim amount.

Target market for each product

In addition to the overall target market parameters that apply to the products, these additional parameters apply to each relevant product.

Basic plan (Specified accidental injury and illness)

A person is in our target market and this product may be suitable for them if they:	A person will not be in our target market and this product may not be suitable for them if they:
<ul style="list-style-type: none"> • want up to 80% of eligible veterinary expenses covered up to \$5,000 per policy period; and • want cover for a pet over the age of 8 weeks old at the time of the first policy commencement date. 	<ul style="list-style-type: none"> • want any cover towards the cost of consultations; • do not want sub-limits or want higher sub-limits to apply to treatment for hip joint surgery, tick paralysis or cruciate ligament conditions; and/or • want any reimbursement for specified preventative treatment and ownership costs like: desexing, microchipping, or heartworm control per policy period.

Standard plan (Specified accidental injury and illness)

A person is in our target market and this product may be suitable for them if they:	A person will not be in our target market and this product may not be suitable for them if they:
<ul style="list-style-type: none"> want up to 80% of eligible veterinary expenses covered up to \$10,000 per policy period; and want cover for a pet over the age of 8 weeks old and younger than 9 years old at the time of the first policy commencement date. 	<ul style="list-style-type: none"> do not want sub-limits or want different sub-limits to apply to treatment for hip joint surgery, tick paralysis or cruciate ligament conditions; and/or want any reimbursement for specified preventative treatment and ownership costs like: desexing, microchipping, or heartworm control per policy period.

Comprehensive plan (Specified accidental injury and illness)

A person is in our target market and this product may be suitable for them if they:	A person will not be in our target market and this product may not be suitable for them if they:
<ul style="list-style-type: none"> want up to 80% of eligible veterinary expenses covered up to \$24,000 per policy period; and want cover for a pet over the age of 8 weeks old and younger than 9 years old at the time of the first policy commencement date. 	<ul style="list-style-type: none"> do not want sub-limits or want different sub-limits to apply to treatment for hip joint surgery, tick paralysis or cruciate ligament conditions.

Comprehensive Plus plan (Specified accidental injury and illness)

A person is in our target market and this product may be suitable for them if they:	A person will not be in our target market and this product may not be suitable for them if they:
<ul style="list-style-type: none"> want up to 80% of eligible veterinary expenses covered; want up to \$30,000 cover per policy period which could be reached in significant and/or more complex treatments or circumstances; and want cover for a pet over the age of 8 weeks old and younger than 9 years old at the time of the first policy commencement date. 	<ul style="list-style-type: none"> do not want sub-limits or want lower sub-limits to apply to treatment for hip joint surgery, tick paralysis or cruciate ligament conditions.

Consistency between the products and target market

These products will likely meet the likely objectives, financial situation and needs of the target market because they address the needs of customers in the target market to reduce the costs of eligible veterinary expenses.

Distribution conditions

PetSure issued policies

PetSure issued Everyday Pet Insurance - Basic, Everyday Pet Insurance - Standard, Everyday Pet Insurance - Comprehensive, and Everyday Pet Insurance - Comprehensive Plus products are only available to customers whose policies were first issued to them on or after 17 July 2023. These products are distributed through:

- visiting the website of Everyday Pet Insurance;
- calling the contact centre of PetSure; or
- calling the contact centre of an Everyday Pet Insurance distribution partner.

All enquiries made online use a quotation tool which asks the customer to answer a series of questions before finalising a quote. Customers seeking a quote via the phone will be asked a series of questions from a system-based script by a trained operator. The response to these questions will determine if the customer meets the eligibility criteria, which align with the description of the target market set out above. A sale will not progress if these eligibility criteria are not met. All call centre representatives are provided with adequate training and their sales are routinely monitored by us to ensure that they sell the products only to customers who are in the target market.

Everyday Pet Insurance policies are promoted and distributed by Woolworths Group Limited (ABN 88 000 014 675, AR no 245476) (Woolworths). Woolworths is an authorised representative of PetSure. PetSure also has arrangements in place with Woolworths, with appropriate terms to ensure the products are distributed to the customers that fall within the target market.

PetSure will monitor whether customers are in the target market, pursuant to the criteria in this TMD. If PetSure identifies the customer is no longer in the target market, PetSure will contact them.

Hollard issued policies

Hollard issued Everyday Pet Insurance - Basic, Everyday Pet Insurance - Standard, Everyday Pet Insurance - Comprehensive, and Everyday Pet Insurance - Comprehensive Plus products are only available to renewing customers whose policies were first issued to them prior to 17 July 2023.

For Hollard issued policies, Hollard has arrangements in place with PetSure with appropriate terms to ensure the products are distributed to the customers that fall within the target market.

Everyday Pet Insurance policies are promoted and distributed by Woolworths Group Limited (ABN 88 000 014 675, AR no 245476) (Woolworths). Woolworths is an authorised representative of Hollard. Hollard also has arrangements in place with Woolworths, with appropriate terms to ensure the products are distributed to the customers that fall within the target market.

Hollard will monitor whether customers are in the target market, pursuant to the criteria in this TMD. If Hollard identifies the customer is no longer in the target market, PetSure, under its arrangement with Hollard will contact the customer.

Reviewing this document

Periodic Review

Each issuer will review this TMD, insofar as it relates to the products issued by them, within 24 months from its commencement date and subsequently every 24 months thereafter.

Review Triggers

Each issuer will also review this TMD, insofar as it relates to the products issued by them, if there are events or circumstances that reasonably suggest that the TMD is no longer appropriate. The triggers for this review may arise from:

- any material changes being made to the product coverage, pricing methodology, underwriting or eligibility criteria or its method of claims assessment and settlement;
- any material changes to methods of distribution;

- changes in law or regulatory guidance or industry code which may materially affect the terms of cover or distribution or regulatory feedback or concerns raised to suggest the TMD may no longer be appropriate;
- identification of systemic issues and findings, produced from quality assurance or governance processes, that may indicate an issue with the product or the appropriateness of the TMD;
- any occurrence of a significant dealing outside of the target market;
- compliance incidents and breaches that may indicate an issue with the product and the appropriateness of the TMD; or
- material deviations developing in the customer value metrics that track:
 - financial performance of the product;
 - product desirability;
 - benefit attained from the product by customers;
 - overall claims experience;
 - number and type of complaints received; and
 - customer feedback received.

Reporting

Distributors of these products are required to report the following information to the relevant issuer or both issuers (where applicable) within the time specified below:

Information	Review period
Actual or potential significant dealings of the product outside of the target market	As soon as practicable and in any event within 10 business days of first becoming aware
Actual or potential issue of the product in breach of distribution conditions or outside of the target market	As soon as practicable and in any event within 10 business days of first becoming aware
Number and details of all complaints received	Within 10 business days of the end of each quarter
Sales and marketing data including but not limited to quotes and sales made, promotions applied, cancellation of cover information	Within 10 business days of the end of each quarter
Any data that issuer(s) do not hold and is requested by issuer(s) in writing that allows issuer(s) to monitor customer value metrics as described in “Reviewing this document”	Within 10 business days of the end of each month