

Horse & Pony Pet Insurance

TARGET MARKET DETERMINATION

Product Disclosure Statement (PDS)	Petcover Pet Insurance Horse & Pony (Horse Pick and Mix & Senior Plans) PCAU-SOV-PDS-HORSE-V112022
Effective Date	30/06/2023 This Target Market Determination (TMD) is effective from the date shown above (Effective Date). This TMD will apply to policies that are purchased or renewed on or after the Effective Date. For historical versions of this document, you can contact us, or refer to our website at https://www.petcovergroup.com/au
Product Issuer	Sovereign Insurance Australia Pty Ltd, ABN 85 138 079 286 AFS License Number 342516 (Sovereign Insurance Australia).
Product Distributor	Petcover Aust, ABN 97 117 476 990 AFSL No 507143 under a binding authority issued to Petcover by Sovereign Insurance Australia.

ABOUT THIS DOCUMENT

This Target Market Determination (TMD) applies to the pet insurance described in Horse & Pony (Horse Pick and Mix & Senior Plans) PCAU-SOV-PDS-HORSE-V112022 Product Disclosure Statement and Policy Wording Document dated 11/2022 and any applicable Supplementary Product Disclosure Statement (SPDS). The TMD seeks to offer customers, distributors and employees an understanding of the class of customers for which this product has been designed, considering their likely needs, objectives and financial situation. This TMD describes the circumstances in which we believe the product is likely to be suitable. Customers who fit those circumstances are collectively called our target market.

This TMD does not take anyone’s personal circumstances into account, nor does it form a part of the terms of cover. In addition to the key eligibility requirements outlined in this TMD, it is also subject to acceptance criteria and the TMD does not include all the factors we consider when we decide whether to issue insurance.

Customers must refer to the PDS and any supplementary document(s), which outline the relevant terms, conditions, exclusions, excesses, your rights and obligations and insurance cover being provided under the product, when making a decision about this product. We recommend that customers contact their broker or distribution partner and read the relevant PDS for full details on cover to determine whether the product is appropriate for their objectives, financial situation and needs.

WHAT PRODUCT DOES THIS TARGET MARKET DETERMINATION APPLY TO?

This product has three different covers for Horse and Pony owners:

- Basic Cover,
- Senior Plan A, and
- Senior Plan B.

All three covers have been designed for customers in the target market who own a Horse or Pony to provide them financial protections for:

- **Death of Pet from Illness** – if the Horse or Pony dies from illness during the period of insurance in Australia.
- **Death of Pet from Injury** – if the Horse or Pony dies from injury during the period of insurance in Australia; and
- **Loss of Pet by Theft or Straying** – if the Horse or Pony is stolen or goes missing during the period of insurance in Australia and cannot be found, and
- **Vet Fees** – if the Horse or Pony requires treatment for an injury during the period of insurance in Australia (Optional for Senior Plan B, not available for Senior Plan A)

The Basic Plan is available for Horses or Ponies aged between 30 days and 18 years

The Senior Plans are available for Horses and Ponies aged over 18 years and under 30 years. The two Senior Plans differ in the annual limits that apply to claims. Please see PDS and Certificate of Insurance for full details on claimable limits.

In addition, the Product offers optional covers to enable a customer to tailor the product to suit their individual needs. The following optional covers vary between the three plans and can be selected by the customer where applicable:

- **Vet Fees** – if your Horse or Pony requires treatment for an Injury or Illness during period of insurance in Australia –available for Senior Plan B only.
- **Disposal** – of your Horse or Pony after humane destruction or death from Injury or Illness during the period of insurance in Australia.
- **Permanent Loss of Use** – if your Horse or Pony is never able to undertake part in any or one of the activities as set out in the Certificate of Insurance as a result of an Injury or Illness during the Period of insurance in Australia.
- **Float and Horse Drawn Vehicles** – if your Horse Float, Trailer, or Horse Drawn Vehicle is stolen, damaged or destroyed during the period of insurance in Australia.
- **Saddlery & Tack** – if your Saddlery and Tack is stolen, damaged, or destroyed during the period of insurance in Australia.

These optional covers (whether they are included automatically or at the option of a customer) are subject to exclusions and limitations. The optional covers are also subject to availability on specific plans.

The Product offers options to enable a customer to tailor the product to suit their individual needs.

Petcover's policy on its approach to the distribution and development of products for appropriate target market distribution is available at sovereignaustralia.com.au/documents.

WHAT IS THE TARGET MARKET FOR THE PRODUCT?

This product is designed for customers who own a Horse or Pony.

For a customer to be considered within the target market they must meet our key eligibility criteria as outlined in the following.

Customers WITHIN the Target Market (Customers are within the target market if all the following conditions apply)	
✓	Customers that own a Horse or Pony
✓	Customers that own a horse drawn vehicle or horse float or trailer, if seeking the associated optional covers for these
✓	Customers who have the financial means to incur the full costs of treatment, if required, and seek reimbursement from us.
✓	The Horse or Pony is older than thirty (30) days and younger than thirty (30) years of age
✓	Customers seeking insurance cover for illnesses and injuries for their horse or pony that are not Pre-Existing Medical Conditions (as described in the PDS) when the Horse or Pony insurance was initially purchased
✓	The Horse or Pony permanently lives in Australia

Customers NOT within the Target Market (Customers are NOT within the target market if any the following conditions apply)	
X	Customers seeking cover for their Horse or Pony for a condition expressed as excluded in the Certificate of Insurance.
X	Customers whose Horse or Pony has a Pre-existing Medical Condition which occurred before cover started or during the 21 day waiting period and are seeking coverage for that condition.
X	Customers who live permanently outside of Australia.
X	Customers seeking cover for any accident, injury or illness for their horse or pony which occurred or showed clinical signs or symptoms in excess of 12 months (365 days)
X	Customers seeking cover for any incident or Accident for their horse or pony used in connection with any business, profession, occupation or while the customer is working for someone.
X	Customers seeking cover for their horse or pony for any cost of treating any Injury or Illness caused resulting from a malicious act, deliberate injury or gross negligence caused by the customer or a member of the customer's Immediate Family or anyone living with the customer
X	Customers seeking cover for any amount if their horse or pony is not vaccinated against an illness for which a vaccine is available that a Vet would normally recommend.
X	Customer seeking cover for any amount for any experimental medication, treatments or therapies for their horse or pony,
X	Customers seeking cover for the cost of buying or hiring equipment or machinery or any form of housing for their horse or pony.
X	Customers seeking to cover the costs of putting the Horse or Pony to sleep, including the veterinary consultation/visit and any medication required to carry out the procedure.
X	Customers seeking cover for costs of any veterinary treatment associated with or resulting from breeding, pregnancy or giving birth, frozen or fresh embryo transfers (FET) for their horse or pony, including any complications.
X	Customers seeking cover for unborn foal, prospective foal, embryo, frozen embryo or for foetus.
X	Customers seeking cover any amount resulting from an Illness that the Horse or Pony contracted while outside Australia, or New Zealand.
X	Customers seeking cover for any other financial loss, legal compensation, costs or expenses as a result of the death or humane destruction of their Horse or pony.

YOUR EXCESS

When we pay a claim, you normally pay an excess. The product includes a number of different excesses that apply in various circumstances. If more than one excess applies to a claim, we add them together to work out the total excess payable by you.

One type of excess is called the basic excess. When you buy a policy, you can choose your basic excess from a range of options to suit your needs. A lower basic excess may save you money if you claim on the policy but would normally increase the premium you pay to buy the policy. A higher basic excess may reduce your premium but could cost you more if you have a claim. You will need to consider whether you can pay the higher excess at the time of the claim.

FINANCIAL SITUATION

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

Relevant financial situation considerations include:

- Ability to choose to pay your premium annually or by instalment.

POLICY GENERAL LIMITATIONS

- We are unable to confirm if a claim will be approved before it is submitted as our policies and claims are built on a reimbursement model and claims can only be considered after treatment has been received and invoiced.
- Subject to the terms and condition of the policy, reimbursement may be up to 100% of eligible veterinary treatment. Items that are included in the claim but not covered by the policy will be outlined in the claim outcome letter issued.

CONSISTENCY WITH THE TARGET MARKET

The insurance product including its key attributes is 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 cover for that class of customers. This has been determined based on an assessment of the insurance product including its key attributes. Individual customers will need to consider whether this product meets their specific objectives, financial situation and needs.

WHAT DISTRIBUTION CONDITIONS APPLY TO THIS PRODUCT?

The product application process has been designed to guide customers directly to the product most likely to meet their needs and objectives based on their responses to the questions in our product application.

Petcover's staff have been adequately trained in the product, the customer(s) it is intended for and the underwriting criteria applicable to the product.

Distribution Restrictions	<p>This Product can only be distributed if the following conditions are met:</p> <ul style="list-style-type: none"> • It can only be sold by Petcover’s employees (including Petcover’s website) and cannot be sold to the public through insurance brokers or other intermediaries. • The insurance product distributor must: <ul style="list-style-type: none"> ○ be authorised to distribute the product and those arrangements must not have been cancelled or suspended. ○ agree to comply with all underwriting criteria and levels of authority (as applicable). ○ agree to not distribute the product where they receive notice from Product Issuer that this TMD is not up to date and no new TMD has been provided; and ○ where a new TMD has been provided, agree to distribute in accordance with the new TMD. • The TMD is currently not subject to any ASIC action that might suggest that the TMD is no longer appropriate.
Distribution Conditions	<ul style="list-style-type: none"> - This Product can only be sold via an offer of cover and acceptance of cover. - This Product can be sold to customers within the target market without the customer being provided with any financial product advice or, general or personal advice.
Distribution Method	<ul style="list-style-type: none"> - This Product can only be distributed by the insurance product distributor through either inbound and outbound telephone or online sales

WHEN WILL WE REVIEW THIS DOCUMENT?

We will review this TMD in accordance with the below.

Initial review	<p>Within twelve (12) months of the effective date of the first TMD for this product</p>
Periodic reviews	<p>At least every twenty-four (24) months of the completion of the previous review</p>
Review triggers and events	<p>Any event or circumstances arise that would suggest the TMD is no longer appropriate. This may include (but not limited to):</p> <ul style="list-style-type: none"> an event or circumstance that would materially impact on or change a factor taken into account when making the TMD that would suggest to Us that the TMD is no longer appropriate, such as a change in underwriting requirements; the product has not been materially distributed and purchased in a way that is significantly inconsistent with this TMD; a material change to the product including Product Disclosure Statement, Policy Wording information or assumptions upon which the TMD was formulated like the Application Process, pricing requirements, underwriting guidelines; feedback, such as significant or systemic complaints or claims issues, received from insurance brokers, distributors or customers who purchased the product, which are of a nature that suggest to us that the TMD is no longer appropriate; change of relevant law, regulatory guidance, industry code or feedback from regulators such as ASIC, APRA or other interested parties which has a material effect on the terms or distribution of the product. <p>Where a review trigger has been identified, this Target Market Determination will be reviewed within ten (10) business days.</p>

REPORTING AND MONITORING THIS TARGET MARKET DETERMINATION

We will collect and may require Petcover to report on the following information in relation to this TMD to Sovereign Insurance Australia:

Complaints	All complaints in relation to this product are reported to Sovereign Insurance Australia on a monthly basis and not later than ten (10) business days after the agreed complaints reporting date. This will include written details of the complaints. Sovereign Insurance Australia is notified of all complaints within 2 business days.
Sales data	Relevant sales and customer data in relation to this product on a monthly basis. If Petcover becomes aware that the cover is issued to a customer that was ineligible for cover in accordance with the application process Petcover will notify Sovereign Insurance Australia as soon as practicable after becoming aware of the matter and within 10 business days.
Claims data	Where relevant, claims data in relation to this product on a monthly basis
Significant dealings	Petcover will notify Sovereign Insurance Australia if Petcover or Petcover’s distributors become aware of a significant dealing in relation to the product that is inconsistent with the TMD within two (2) business days. This includes but is not limited to a consideration of the nature and degree of harm resulting from the issue of this product to a retail customer.
Communication from a regulator in relation to the product or TMD	Petcover to report to Sovereign Insurance Australia on the same day