

# Horse Liability Insurance

## TARGET MARKET DETERMINATION

<b>Product Disclosure Statement (PDS)</b>	Petcover Horse Liability Plan PCAU-SOV-PDS-HORSE-V112022
<b>Effective Date</b>	01/01/2023 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 <a href="https://www.petcovergroup.com/au">https://www.petcovergroup.com/au</a> .
<b>Product Issuer</b>	Sovereign Insurance Australia Pty Ltd, ABN 85 138 079 286 AFS License Number 342516 (Sovereign Insurance Australia).
<b>Product Distributor</b>	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 the Petcover Horse Liability Plan 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 offers one cover for horse owners:

- Third Party Liability Cover

This Product has been designed for customers in the target market who own a Horse or Pony to provide them financial protections for:

- legal liability for **Third Party Bodily Injury**
- legal liability for **Third Party Property Damage**
- **Legal costs and expenses** of the party seeking compensation from the customer
- **Legal costs and expenses** incurred by the customer or the customer's immediate Family or any person to whom the customer has given permission to look after or handle the Horse or Pony in defending a Third-Party Liability claim

There are no optional extras under this policy.

The cover offers customers the option of choosing the annual limits that apply to claims. Please see PDS and Certificate of Insurance for full details on claimable limits.

Petcover's policy on its approach to the distribution and development of products for appropriate target market distribution is available at [Target Market Determinations \(TMDs\)](#)

## WHAT IS THE TARGET MARKET FOR THE PRODUCT?

This product is designed for customers who own a Horse or Pony and require cover for Third Party Liability for Bodily Injury, Property Damage, or Legal Costs and expenses.

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 who own a horse or pony and are seeking cover for third party liability for bodily injury, property damage and legal costs and expenses
✓	The horse or pony is older than thirty (30) days and younger than thirty (30) years of age
✓	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 any horse or pony less than 30 days old or over 30 years of age.
X	Customers seeking cover for any amount if the horse or pony is used in connection with any business, profession, occupation or while working for someone.
X	Customers seeking cover for their Horse or pony which lives permanently outside of Australia.
X	Customers seeking cover for cost for any legal expenses resulting from criminal proceedings because of their deliberate act and that of their <b>Immediate Family</b> or any person to whom permission has been given to look after or handle their horse or pony.
X	Customers, their Immediate family or person been given permission to look after or handle the horse or pony seeking cover for any amounts resulting from the horse or pony acting or behaving unlawfully, and any legal expenses, fines or penalties arising from such actions or behaviour including criminal activities or breach of Australian laws or regulations or an Act of Parliament.

Customers NOT within the Target Market (Customers are NOT within the target market if any the following conditions apply)	
x	Customers seeking cover for any amount caused by, arising out of, or in any way connected with asbestos.
x	Customers seeking cover for any amount caused by, arising out of or in any way connected with the discharge, dispersal, release or escape of pollutants defined as smoke, vapours, soot, fumes, acid, alkalis, toxic chemicals, liquids, gases, waste materials or other irritants, contaminants or other pollutants into or upon land, the atmosphere or any watercourse or body of water; or the attempted prevention of such discharge, dispersal, release or escape of any pollutants.

## 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.

## 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.

<b>Distribution Restrictions</b>	<p>This Product can only be distributed if the following conditions are met:</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• The insurance product distributor must: <ul style="list-style-type: none"> <li>○ be authorised to distribute the product and those arrangements must not have been cancelled or suspended.</li> <li>○ agree to comply with all underwriting criteria and levels of authority (as applicable).</li> <li>○ agree to not distribute the product where they receive notice from the Product Issuer that this TMD is not up to date and no new TMD has been provided; and</li> <li>○ where a new TMD has been provided, agree to distribute in accordance with the new TMD.</li> </ul> </li> <li>• The TMD is currently not subject to any ASIC action that might suggest that the TMD is no longer appropriate.</li> </ul>
<b>Distribution Conditions</b>	<ul style="list-style-type: none"> <li>- This Product can only be sold via an offer of cover and acceptance of cover.</li> <li>- 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.</li> </ul>
<b>Distribution Method</b>	<ul style="list-style-type: none"> <li>- This Product can only be distributed by the insurance product distributor through either inbound and outbound telephone or online sales</li> </ul>

## WHEN WILL WE REVIEW THIS DOCUMENT?

We will review this TMD in accordance with the below.

Initial review	Within twelve (12) months of the effective date of the first TMD for this product
Periodic reviews	At least every twenty-four (24) months of the completion of the previous review
Review triggers and events	<p>Any event or circumstances arise that would suggest the TMD is no longer appropriate. This may include (but is not limited to):</p> <ul style="list-style-type: none"> <li>▪ 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;</li> <li>▪ the product has not been materially distributed and purchased in a way that is significantly inconsistent with this TMD;</li> <li>▪ 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, and underwriting guidelines;</li> <li>▪ feedback, such as significant or systemic complaints or claims issues, received from insurance brokers, distributors or customers who purchased the product, which is of a nature that suggests to us that the TMD is no</li> </ul>

	<p>longer appropriate;</p> <ul style="list-style-type: none"> <li>▪ 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.</li> </ul> <p>Where a review trigger has been identified, this Target Market Determination will be reviewed within ten (10) business days.</p>
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## 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 is to report to Sovereign Insurance Australia on the same day