

Mid-Range (Core, Vital & Key) Pet Insurance

TARGET MARKET DETERMINATION

Product Disclosure Statement (PDS)	Petcover Mid-Range Plans (Core, Vital & Key) - PCAU Sovereign PDS Mid Range 082024.
Effective Date	29/08/2024 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 Mid-Range Plans (Core, Vital & Key) PCAU Sovereign PDS Mid Range 082024 Product Disclosure Statement and Policy Wording Document dated 082024 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 three different covers for pet owners;

- Core,
- Vital,
- Key

All three covers have been designed for customers in the target market who own a cat or dog to provide them financial protections, subject to the terms and conditions, limitations and exclusions of the policy, for:

- **Veterinary Fees** incurred for the Veterinary Treatment their pet has received for an Injury and/or Illness in Australia or an Agreed Country (as set out in the Certificate of Insurance).
- **Dog owner’s legal liability to third parties** for any death, bodily injury or illness or physical loss or damage to property caused by their dog.
- **Boarding Fees** incurred for their pet while they are an in-patient in hospital.
- **Saying Goodbye to Your Pet** to help with the financial costs if your pet passes away from an accident or illness

* For full benefit details, conditions and exclusions, please refer to the PDS

All three covers provide Umbrella For Life protection, which enables insureds to claim for the Treatment for on-going Illness or Injuries throughout their Pet’s lifetime, provided they renew the Policy without any break in cover and subject to the terms and conditions of the PDS and Certificate of Insurance.

The three covers differ in the annual limits that apply to claims. The Key Plan provides the highest claimable limit of the three, followed by the Vital Plan and then Core Plan.

In addition, the Product offers optional covers to enable a customer to tailor the product to suit their individual needs. The following optional covers are available:

- **Day to Day Care** – reimbursement (up to stated benefit) for costs associated with certain listed preventative health care treatments for their pet (see PDS for further details)

These optional covers are subject to exclusions and limitations.

The three covers also give customers the option of selecting different fixed excess amounts and percentage (%) based co-payment options.

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?

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 pet which is either a cat or dog.
✓	Customers seeking continuous insurance coverage throughout the lifetime of their pet for any illnesses and injuries that may occur
✓	Customers who have the financial means to incur the full costs of treatment, if required, and seek reimbursement from us.
✓	Customers whose pet permanently lives in Australia.
✓	Customers seeking insurance cover for illnesses and injuries that are not Pre-Existing Medical Conditions (as described in the PDS) when the pet insurance was initially purchased

✓	Customers whose pet is older than 8 weeks and younger than 8 years (or 5 years in the case of Select Breeds – see PDS for further information) when the pet insurance was initially purchased;
✓	Customers whose pet is not used for guarding, track racing or coursing
✓	Customers whose pet is not a breed (or cross with any such breed) that has been banned by any Australian Government, Public or Local Authority or a Pit Bull Terrier or Dingo; and

Customers NOT within the Target Market (Customers are NOT within the target market if any the following conditions apply)	
X	Customers whose pet has a condition expressed as excluded in the Certificate of Insurance are seeking coverage for that condition.
X	Customers whose pet has a Pre-existing Medical Condition which occurred before cover started or during the 28-day waiting period and they are seeking coverage for that condition.
X	Customers seeking to commence cover after their Pet turns 8 years old, or, if a Select Breed, 5 years old.
X	Customers seeking cover for the cost of Elective Treatment for their pet such as de- sexing, spraying, castration, micro-chipping, grooming, de-matting, cosmetic or aesthetic surgery, dew-claw removal and prescription diet foods.
X	Customers seeking cover for the cost of treatment for unvaccinated dogs for vaccine preventable diseases such as parvovirus, distemper, leptospirosis, hepatitis.
X	Customers seeking cover for costs for treatment for unvaccinated cats for vaccine preventable diseases such as feline leukemia, feline infectious enteritis, and cat flu.
X	Customers seeking cover for dogs that are being used for guarding, track racing or coursing.
X	Customers seeking cover for dogs that are a breed (or cross with any such breed) that has been banned by any Australian Government, Public or Local Authority or a Pit Bull Terrier or Dingo.
X	Customers seeking cover for dogs that have been declared, or needs to be registered, as dangerous.
X	Customers seeking cover for amounts payable in respect of any breach of any animal health or importation laws.
X	Customers seeking cover for legal costs, expenses, fines and penalties from a criminal court case or as a breach of an Act of Parliament.
X	Customers seeking cover for malicious or deliberate injury or bodily injury.
X	Customers seeking cover for gross negligence by the insured, their immediate family or persons living with the insured, or acting with the insured's consent.
X	Customers seeking cover for a journey where a Pet is taken to a country that is not an Agreed Country, or when the journey is not taken against a Vet's advice.
X	Customers seeking cover for illnesses contracted whilst outside Australia or New Zealand that would not normally be contracted in Australia or New Zealand.
X	Customers seeking cover for diseases transmitted from animals to humans.
X	Customers seeking cover for pandemic diseases that cause widespread illness, death or destruction affecting dogs and cats.
X	Customers seeking cover for a failure to take reasonable precautions to protect a Pet or that aggravate or prolong an Injury or Illness.

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	<p>This product can only be distributed by the insurance product distributor through either inbound and outbound telephone or online sales</p>

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 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 become 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