

# Target Market Determination

## Names of products

Medibank Pet Insurance - Bronze Paw  
Medibank Pet Insurance - Silver Paw  
Medibank Pet Insurance - Gold Paw  
Medibank Pet Insurance - Accident injury and Illness  
Product Disclosure Statement (PDS) dated 5 October 2021

## 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 its 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 product 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://www.medibank.com.au/pet-insurance/useful-documents/>

Effective date of this TMD: 30 August 2023

## Issuer

This TMD is made by The Hollard Insurance Company Pty Ltd ABN 78 090 584 473 AFSL 241436 (Hollard). PetSure (Australia) Pty Ltd (ABN 95 075 949 923, AFSL 420183) (PetSure) acts for Hollard under a binding authority. In this document the terms, "we", "us" or "our" refer to Hollard in its own right or via PetSure.

## Product description and key attributes

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

	Bronze Paw	Silver Paw	Gold Paw	Accident injury & Illness
<b>Cover type</b>	Cover for specified accidental injuries only	Cover for both specified accidental injuries and illnesses	Cover for both specified accidental injuries and illnesses	Cover for both specified accidental injuries and illnesses
<b>Benefit percentage</b>	Up to 80% of eligible veterinary bills	Up to 80% of eligible veterinary bills	Up to 80% of eligible veterinary bills	Up to 70% of eligible veterinary bills
<b>Annual benefit limit</b>	Up to \$8,000 per year	Up to \$12,000 per year	Up to \$15,000 per year	Up to \$8,000 per year
<b>Sub-limits</b>	Some condition related sub-limits apply to conditions such as cruciate ligament conditions	Some condition related sub-limits apply to conditions such as tick paralysis and cruciate ligament conditions	Some condition related sub-limits apply to conditions such as tick paralysis and cruciate ligament conditions	Some condition related sub-limits apply to conditions such as tick paralysis and cruciate ligament conditions
<b>Excesses</b>	Excess options can be selected	Excess options can be selected	Excess options can be selected	Excess options can be selected

Other key attributes of these products include:

- it does 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 costs 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 a 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 veterinary 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 vet expenses above the accepted claim amount, including:
  - › the excess (where applicable);
  - › costs above the applicable benefit percentage (up to 70% or 80% of eligible veterinary expenses, or 60% once the pet exceeds 8 years of age if selected by the customer);
  - › costs above the applicable annual benefit limit (up to \$8,000 or, \$12,000, or \$15,000 per year per year depending on the selection chosen); and
  - › costs above the applicable sub-limits.

### Target market for the product

The overall target market for the product applies to all levels of cover available. Each level of cover also has parameters which apply in addition to the overall target market.

Who this product may be suitable for	Who this product may not be suitable for
<p>A person is in the target market for the product if they:</p> <ul style="list-style-type: none"> <li>• are 18 years of age or over;</li> <li>• have a domestic dog or cat that is legally available in Australia;</li> <li>• want cover towards the costs associated with specified accidental injuries that their pet may experience, such as injury suffered as a result of a motor vehicle accident, burn or electrocution and traumatic ligament or tendon injury; and</li> <li>• can afford to pay the applicable premium, upfront vet expenses before submitting a claim (unless GapOnly® is used), and veterinary expenses that are above the accepted claim amount.</li> </ul>	<p>A person will not be in the target market for the product if they:</p> <ul style="list-style-type: none"> <li>• have a pet which has sustained chronic pre-existing conditions which are likely to require ongoing veterinary treatment and want cover for those treatment costs;</li> <li>• want to cover the costs of treatment for illnesses or accidents not covered by this policy, or other maintenance costs associated with pet ownership; and/or</li> <li>• cannot afford to pay the applicable premium, upfront vet expenses before submitting a claim (unless GapOnly® is used), and/or veterinary expenses that are above the accepted claim amount.</li> </ul>

## Target market for each level of cover

In addition to the overall target market, these additional parameters apply based on the level of cover selected.

### Bronze Paw (Specified accidental injury only)

Who this level of cover may be suitable for	Who this level of cover may not be suitable for
<p>A person is in the target market for this level of cover if they want:</p> <ul style="list-style-type: none"><li>• up to 80% of their eligible veterinary expenses covered up to \$8,000 per policy period.</li></ul>	<p>A person will not be in the target market for this level of cover if they:</p> <ul style="list-style-type: none"><li>• want cover for illnesses that a pet may experience; and</li><li>• do not want sub-limits or want different sub-limits to apply for treatment for cruciate ligament conditions.</li></ul>

### Silver Paw (Specified accidental injury & illness)

Who this level of cover may be suitable for	Who this level of cover may not be suitable for
<p>A person is in the target market for this level of cover if they want:</p> <ul style="list-style-type: none"><li>• cover towards costs associated for treating a range of illnesses such as cancer treatments and other temporary and chronic conditions; and</li><li>• up to 80% of their eligible veterinary expenses covered up to \$12,000 per policy period.</li></ul>	<p>A person will not be in the target market for this level of cover if they:</p> <ul style="list-style-type: none"><li>• do not want sub-limits or want different sub-limits to apply to contributions towards the cost of treatment for tick paralysis or cruciate ligament conditions.</li></ul>

### Gold Paw (Specified accidental injury & illness)

Who this level of cover may be suitable for	Who this level of cover may not be suitable for
<p>A person is in the target market for this level of cover if they want:</p> <ul style="list-style-type: none"><li>• cover towards costs associated for treating a range of illnesses such as cancer treatments and other temporary and chronic conditions; and</li><li>• up to 80% of their eligible veterinary expenses covered up to \$15,000 per policy period.</li></ul>	<p>A person will not be in the target market for this level of cover if they:</p> <ul style="list-style-type: none"><li>• do not want sub-limits or want different sub-limits to apply to contributions towards treatment for tick paralysis and cruciate ligament conditions.</li></ul>

## Accident injury & illness

Who this level of cover may be suitable for	Who this level of cover may not be suitable for
<p>A person is in the target market for this level of cover if they want:</p> <ul style="list-style-type: none"><li>cover towards costs associated for treating a range of illnesses such as cancer treatments and other temporary and chronic conditions; and</li><li>up to 70% of their eligible veterinary expenses covered up to \$8,000 per policy period.</li></ul>	<p>A person will not be in the target market for this level of cover if they:</p> <ul style="list-style-type: none"><li>do not want sub-limits or want different sub-limits to apply to contributions towards treatment for tick paralysis and cruciate ligament conditions.</li></ul>

### Consistency between the product and target market

This product will likely meet the likely objectives, financial situation and needs of the target market because it addresses the needs of customers in the target market to reduce the costs of eligible veterinary expenses.

### Distribution conditions

Medibank Pet Insurance - Bronze Paw, Silver Paw and Gold Paw is only available to renewing customers who first purchased their policy prior to 27 May 2016.

Medibank Pet Insurance - Accident & Illness is only available to renewing customers who first purchased their policy prior to 30 August 2023.

Medibank Pet Insurance is distributed by Medibank Private Limited (ABN 47 080 890 259, AR no 286089). We also have arrangements in place with Medibank Private Limited with appropriate terms for ensuring that it only distributes the product to customers that fall within the target market.

Hollard will monitor whether customers are in the target market, pursuant to the criteria of 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 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 this product are required to report the following information to us within the time specified below:

Information	Reporting 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 we do not hold and is requested by us in writing that allows us to monitor customer value metrics as described in "Reviewing this document"	Within 10 business days of the end of each month.