

Target Market Determination: Petbarn Insurance

Product Name: Petbarn Insurance Core and Core Plus Cover Product Disclosure Statement (PDS) dated 15 April 2021.

What is a Target Market Determination?

This Target Market Determination (TMD) sets out the class of customers the product, has been designed for and is suitable for. It sets out the target market for the 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 the product are set out in the PDS. This TMD does not form part of the insurance contract and is not a summary of the product's terms and conditions. Customers should review the PDS before making any decision in relation to the product.

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.petbarn.com.au/services/pet-insurance>

Effective date of this TMD: 29 June 2023.

Product description and key attributes

The product has been designed for people who want different choices of cover towards eligible veterinary expenses experienced by cats or dogs. The product has two level of cover. This is briefly described below:

	Core	Core Plus
Cover Type	Cover for both specified accidental injuries and illnesses excluding cruciate ligament conditions and cancer	Cover for both specified accidental injuries and illnesses excluding cancer
Benefit Percentage	Up to 90% of eligible vet bills for pets under the age of 8 years. This benefit percentage reduces to 65% once the pet exceeds 8 years of age.	Up to 90% of eligible vet bills for pets under the age of 8 years. This benefit percentage reduces to 65% once the pet exceeds 8 years of age.
Sub-limits	A \$500 annual condition limit applies to each covered condition per policy period	A \$1,000 annual condition limit applies to each covered condition per policy period

Other key attributes of this product 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 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 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 veterinary expenses above the accepted claim amount, including:
 - costs above the applicable benefit percentage (up to 90% of eligible veterinary expenses or 65% once the pet exceeds 8 years of age);
 - costs above the annual condition limit (up to \$500 or \$1,000 per condition 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 this product if they:</p> <ul style="list-style-type: none"> • have a domestic dog, cat or hybrid that is legally available in Australia; • 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; • cover towards the costs associated with treating a range of illnesses, such as arthritis and other temporary and chronic conditions; and • can afford to pay the applicable premium, upfront veterinary expenses before submitting a claim (unless GapOnly® is used), and veterinary expenses that are above the accepted claim amount. 	<p>A person will not be in the target market if they:</p> <ul style="list-style-type: none"> • 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; • want to cover the costs of treatment for illnesses, like cancer, or accidents not covered by this policy, or other maintenance costs associated with pet ownership; and/or • cannot afford to pay the applicable premium, upfront veterinary expenses before submitting a claim (unless GapOnly® is used), and/or veterinary expenses that are above the accepted claim amount.

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.

Core Cover (Specified Accidental Injury and 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"> • up to 90% of their eligible veterinary expenses covered up to \$500 for each condition every policy period for pets under the age of 8; or • up to 65% of their eligible veterinary expenses covered up to \$500 for each condition every policy period for pets over the age of 8. 	<p>A person will not be in the target market for this level of cover if they:</p> <ul style="list-style-type: none"> • do not want an annual condition limit to apply for the treatment of all covered conditions; or • want cover for treatment for cruciate ligament conditions and cancer.

Core Plus Cover (Specified Accidental Injury and 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"> • up to 90% of their eligible veterinary expenses covered up to \$1,000 for each condition every policy period for pets under the age of 8; or • up to 65% of their eligible veterinary expenses covered up to \$1,000 for each condition every policy period for pets over the age of 8. 	<p>A person will not be in the target market for this level of cover if they:</p> <ul style="list-style-type: none"> • do not want an annual condition limit to apply for the treatment of all covered conditions; or • want cover for treatment for cancer.

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

This product is distributed through:

- Visiting the website of Petbarn Insurance; or
- Calling the contact centre of Petbarn Insurance.

All enquiries made online use a quotation tool which ask 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 product only to customers who are in the target market.

Petbarn insurance is promoted and distributed by Greencross Ltd (ABN 58 119 778 862, AR No. 1241197). Greencross Ltd is an authorised representative of PetSure. We have arrangements in place with Greencross Ltd with appropriate terms to ensure the product is distributed to the customers that fall within the target market.

Reviewing this document

Periodic Review

We will review this TMD within 24 months from its commencement date and subsequently every 24 months thereafter.

Review Triggers

We will also review this TMD 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 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 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 days of the end of each month.