



Car
Insurance

Target Market Determination

July 2024



Motor - Target Market Determination

For Youi Car Insurance

Cover Types:

Comprehensive, Third Party, Fire & Theft
and Third Party Property Only

About this document

The purpose of this Target Market Determination (TMD) is to describe:

- the type of customer Youi Car Insurance is designed for;
- how it is distributed;
- distributor reporting requirements;
- when this document will be reviewed; and
- what information is required to be provided to help maintain the accuracy of this document.

This TMD is not a Product Disclosure Statement (PDS) and is not a summary of the product terms and conditions. Any advice provided in this document is general advice only. It has been prepared without taking into account any person's particular objectives, financial situations or needs. Product issued by Youi Pty Ltd. More information about this product is contained in the PDS, which contains full details of coverage, conditions, limitations and exclusions. Consider whether the product is appropriate for you before making any decisions about whether to buy or continue to hold a policy. If you have already purchased this product, you should review the information we have provided you whenever your circumstances change.

Who this product is designed for

The Youi Car Insurance product has been designed to meet a range of insurance needs for car owners, or those with a financial interest in a car (as per the types described in the following table).

The key eligibility criteria for purchasing this product and policy terms are:

Key eligibility criteria and policy terms	This product is suitable for	This product is NOT suitable for
Type of car	Cars including sedans, utilities, 4-wheel drives, vans, people movers, motorhomes and campervans.	<ul style="list-style-type: none"> Cars manufactured prior to 1980. Heavy vehicles. Non-standard vehicles.
Car usage	<ul style="list-style-type: none"> Private use. Business use (where underwriting criteria has been accepted). Cars registered for use on Australian roads. 	Cars used for: <ul style="list-style-type: none"> Racing, trials or contests. Transporting dangerous material or heavy loads.
Condition of the car	Cars that are in a well maintained, safe and roadworthy condition.	Cars that are: <ul style="list-style-type: none"> Not in a well maintained condition. Unroadworthy or unsafe.
Licence status	Cars that are driven by a person who holds a valid licence to drive in Australia.	Cars that are driven by a person who does not hold a valid licence to drive in Australia.

Additional eligibility criteria

This product is not suitable for car owners whose car:

- was not insured before purchasing this policy and requires cover for flood, hail, storm or bushfire during the first 72 hours (or other period noted on the policy schedule) of the policy first being purchased, unless it is a new car purchase.
- is used for business (hire/rental/taxi/rideshare) and requires hire car cover under the policy.

This cover is not suitable for car owners who require cover for personal legal liability; or temporary accommodation if the vehicle can no longer be lived in after an incident. In addition, contents cover is limited under this policy.

Product description and key attributes for this product

The table below describes the product and its key attributes for each level of cover.

Comprehensive	Third Party Fire & Theft	Third Party Property Only
<p>Cover for:</p> <ul style="list-style-type: none"> • damage to the car caused by events such as road accidents, storms, malicious damage, fires and theft; • some associated costs such as towing and loss or damage to personal effects caused by a specified event; • legal liability; providing cover for damage to another person's property resulting from the use of the car. 	<p>Cover for:</p> <ul style="list-style-type: none"> • damage to the car caused by fire and theft; • some associated costs such as towing and loss or damage to personal effects caused by a specified event; • up to the applicable limit for damage to the insured car caused by an uninsured vehicle where the accident is the fault of the other driver and the policyholder has identified them. • legal liability; providing cover for damage to another person's property resulting from the use of the car. 	<p>Cover for:</p> <ul style="list-style-type: none"> • low value cars or owners who are only seeking cover for damage done to another person's property resulting from the use of their car; • up to the applicable limit for damage to the insured car caused by an uninsured vehicle where the accident is the fault of the other driver and the policyholder has identified them; • legal liability; providing cover for damage to another person's property resulting from the use of the car.
Optional covers available.	Optional covers available.	

What are the likely objectives, financial situation and needs of customers within the target market?

This Car Insurance product is designed to allow customers to tailor their cover under their policy by having the ability to select from three levels of cover to meet their likely objectives, financial situations and needs as set out in the table below. The ticks indicate the needs and objectives that each level of cover has been designed for, and the crosses indicate what each level of cover has not been designed for.

	Cover for	Level of cover		
		Comprehensive	Third Party, Fire & Theft	Third Party Property Only
Needs and objectives	Loss or damage to the car	✓	⊗ For fire & theft only	⊗
	Legal liability	✓	✓	✓
	Extra covers	✓	⊗ Limited	⊗ Limited
	Optional covers	✓	⊗ Limited	⊗
Financial situation	<p>This product is designed for a target market who have the financial means to pay premiums in line with the chosen payment frequency, applicable excesses, fees and government charges, and have the means to pay amounts that may exceed any policy limits in the event of a loss, with consideration given to a customer's personal circumstances, such as if they are facing hardship or are otherwise vulnerable.</p> <p>Considerations to a customer's financial situation include the ability to:</p> <ul style="list-style-type: none"> • select an annual or monthly premium payment frequency; and • where applicable, vary the premium amount by modifying the selected basic excess. 			

The PDS outlines specific coverage, all optional and extra covers, limits and exclusions for each product.

Why the product is appropriate for customers in the target market

Youi has assessed that the product, including its key attributes and eligibility criteria, is likely to be consistent with the class of customers within the intended target market because:

- customers can choose from three levels of loss and damage cover to suit their likely objectives, financial situation and needs; and
- the product allows for flexibility with choosing excesses, cover options and payment frequency options.

Distribution conditions

Youi Car Insurance can only be purchased from the Youi website or contact centre. Youi employees are monitored and can only sell Youi Car Insurance through the contact centre if they have received adequate training from us and they must follow any guidance we give them (such as product-specific sales scripting and application processes). When completing a quote, the Youi website and contact centre sales and application processes includes a number of questions (including 'knockout questions') that help to determine if the applicant is within the target market for this product, if we will insure them and their property and for what price and excess. The customer should always answer these questions accurately and check with Youi if they are not sure what a question means.

These conditions make it likely that Youi Car Insurance will only be distributed to customers within the target market for this product by helping ensure that Youi representatives have adequate knowledge of the policy terms and conditions, combined with the Youi application processes that are designed to identify instances where a policy is not suitable for the applicant.

Reporting

Youi collects information and prepares reports to improve our products and service in accordance with the examples of key reporting data in the following table.

Reporting data	Frequency
Complaints data including the number and nature of any complaints	Quarterly
Sales and performance data including: <ul style="list-style-type: none">total sales;renewal success rates;initial policy cancellation rates; andsubsequent policy cancellation rates.	Quarterly
Claims data including: <ul style="list-style-type: none">average claims turnaround;percentage of claims rejected; andpercentage of claims withdrawn.	Quarterly
Dealings of product outside of TMD	As soon as practicable after becoming aware of the matter, and no later than 10 business days
Any feedback, regulatory orders or directions regarding the product or its distribution that are received from: <ul style="list-style-type: none">a regulator;the General Insurance Code Governance Committee; orthe Australian Financial Complaints Authority.	As soon as practicable after becoming aware of the matter, and no later than 10 business days

Reviewing this document

A review of this TMD will be completed no later than one year from the publication date and subsequently at annual intervals or where a review trigger has been identified. We will review this TMD if:

- there are amendments to our PDS that change the cover provided;
- material changes are made to our underwriting guidelines;
- we introduce other ways in which this product can be sold;
- we receive a significant number of complaints regarding the design or distribution of this product;
- the business performance and value provided by this product indicate the TMD is no longer appropriate, having regard to appropriate data such as:
 - claims ratios;
 - policy sales;
 - policy renewal rates; and
 - cancellation rates.
- we identify that there has been a significant dealing in the product that is not consistent with the TMD.

Our review will occur within 10 business days of any of the above review triggers occurring.

Questions?

If you have any questions about our products or this TMD, please contact us on **13 YOUI (9684)**.

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