

# Target Market Determination (TMD)

Guardian Pet Insurance



## Name of product:

Guardian Pet Insurance – Bronze Cover

Product Disclosure Statement (PDS) dated 13 September 2021

## What is a Target Market Determination?

This Target Market Determination (TMD) sets out the class of customers that 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 [guardianinsurance.com.au/policy-documents](https://guardianinsurance.com.au/policy-documents)

**Effective date of this TMD:** 1 August 2024

## Product description and key attributes

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

	Bronze Cover
Cover type	Cover for both specified accidental injuries and illnesses.
Benefit percentage	Up to 60% of eligible veterinary bills.
Annual benefit limit	Up to \$12,000 per policy period.
Sub-limits	Sub-limits apply to emergency boarding and consultations.
Annual condition limit	A \$2,000 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;
- an annual condition limit is applicable to this product which means a significant portion of the veterinary bill will need to be paid by the customer. This means your out-of-pocket expenses will be at least 40% of the eligible veterinary expenses and more if the annual condition limit of \$2,000 or overall annual benefit limit of \$12,000 is reached; and
- cover is subject to annual 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 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 clinic 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 veterinary 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 60% of eligible veterinary expenses);
  - costs above the applicable annual benefit limit (up to \$12,000 per policy period);
  - costs above the applicable annual condition limit (up to \$2,000 per condition per policy period); and
  - costs above the applicable sub-limits (where applicable).

## Target market for the product

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"> <li>• are 18 years of age or over;</li> <li>• want cover for a pet over the age of 8 weeks old and younger than 16 years old at the time of the first policy commencement date;</li> <li>• have a domestic dog or cat that is legally available in Australia;</li> <li>• want cover towards the costs associated with a range of specified accidental injuries and illnesses that their pet may experience;</li> <li>• want up to 60% of their eligible veterinary expenses covered;</li> <li>• want up to \$2,000 for each covered condition per policy period;</li> <li>• want cover up to \$12,000 per policy period;</li> <li>• want sub-limits to apply to consultations and/or emergency boarding; and</li> <li>• 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.</li> </ul>	<p>A person will not be in the target market for this product if they:</p> <ul style="list-style-type: none"> <li>• are seeking cover for a pet that is not a dog or a cat;</li> <li>• are seeking cover for chronic pre-existing conditions;</li> <li>• are seeking total reimbursement of veterinary expenses for all accidental injuries and/or illnesses covered;</li> <li>• want cover towards preventative treatments and ownership costs that their pet may experience;</li> <li>• do not want an annual condition limit or want a different annual condition limit to apply for each covered condition;</li> <li>• do not want sub-limits or want different sub-limits to apply to consultations and/or emergency boarding; and/or</li> <li>• 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.</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

The Guardian Pet Insurance – Bronze Accident & Illness Cover is distributed through:

- online channels including the Guardian Insurance website at [guardianinsurance.com.au/pet-insurance](https://guardianinsurance.com.au/pet-insurance) and the websites of an authorised distribution partner; or
- calling the contact centre of PetSure or Guardian Insurance or an authorised distribution partner.

All quotes 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 operators 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.

Guardian Pet Insurance policies are promoted and distributed by Greenstone Financial Services (ABN 53 128 692 884, AFSL 343079) (GFS).

We have arrangements in place with GFS with appropriate terms to ensure the products are distributed to customers that fall within the target market. We and/or GFS also have arrangements with other approved distribution partners in relation to distribution of the products, with appropriate terms to ensure the products distributed to customers that fall within the target market.

Hollard has arrangements in place with PetSure with appropriate terms to ensure the products are distributed to the customers that fall within the applicable target market. Hollard will monitor whether customers are in the target market, pursuant to the criteria in this TMD.

If Hollard identifies the customer is no longer in the applicable target market, PetSure, under its arrangement with Hollard will contact the customer.

## 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
- trends or material changes that are inconsistent with the intended product performance based on metrics that track:
  - financial performance of the product (including but not limited to the loss ratio);
  - product desirability (including but not limited to the number and types of cancellations);
  - benefit attained from the product by customers (including but not limited to the claims frequency and average benefit paid);
  - overall claims experience (including but not limited to the claims approval rates, claims processing speed and claims submission methods);
  - complaints (including but not limited to the number and type of complaints received); and
  - customer feedback received (including but not limited to the number of hardship requests).

## Reporting

Distributors of this product are required to report the following information they hold 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.