

Target Market Determination

Home Buildings & Contents Insurance

Accidental Damage

Buildings & Contents

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

- the type of customer BZI Cyclecover Home Buildings & Contents Insurance – Accidental Damage with buildings and contents cover is designed for;
- how it is distributed;
- when this document will be reviewed; and
- what information is required to be provided to help maintain the accuracy of this document.

The product is issued by Youi Pty Ltd (Youi). Blue Zebra Insurance (BZI) arranges and administers the product, and acts under a binding authority for Youi. Cyclecover, a member of Network Insurance Group, distributes the product on behalf of BZI.

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.

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 to you whenever your circumstances change.

Who this product is designed for

Cover for both buildings and contents is available for purchase through the BZI Cyclecover Home Buildings & Contents Insurance – Accidental Damage product. They are designed for home owners (and those with a financial interest in the home) who are also the owners of contents, and who may experience a financial burden should an event damage their home and/or contents, or legal liability arise because of an incident relating to them, their home or their contents (the likely objectives, financial situation and needs). These home owners will be owners of homes used as their primary residence or a secondary residence such as a holiday home (the target market). However, certain home owners are outside the target market (see 'Who this product is not suitable for' below).

Regarding the key attributes of this product, buildings cover under BZI Cyclecover Home Buildings & Contents Insurance – Accidental Damage covers property comprising of the private domestic residence and other domestic structures at the premises, including permanently attached fixtures, fittings and structural improvements, but excluding land. Contents cover is for personal possessions while they are at the property (including in the open air), in commercial storage (that is fully enclosed, lockable and only able to be accessed by the customer or someone authorised by the customer), and in many situations where they are temporarily removed from the property (with some conditions and limitations). The items covered under contents cover extends to fixtures and fittings installed in a strata title unit that you own, or that you are liable for as a tenant under a rental agreement.

This product covers the buildings (at the insured address) and contents items when they are accidentally destroyed, lost or damaged, including from events such as:

- fire;
- storm, including hail and lightning;
- flood;
- earthquake;
- liquid escaping or leaking from burst pipes;
- theft and attempted theft; and
- impact of a vehicle or tree.

In addition to repairing or replacing the buildings or contents items when they are damaged, the product will also provide for additional benefits that cover things such as temporary accommodation, removal of debris and/or storing undamaged contents, and locating the source of escaped liquid.

The product also provides some additional covers for certain events when your contents items are being moved to a new address, where keys are lost or stolen, or where there is mechanical or electrical breakdown to certain buildings and contents items.

Another key attribute of buildings and contents cover under the BZI Cyclecover Home Buildings & Contents Insurance – Accidental Damage product is cover for legal liability. This provides protection to the home owner if they become liable to pay for the death of or injury to unrelated people, or damage to their property, for incidents in relation to them, their buildings or their contents, anywhere in the world. For example, a visitor to the home trips on a rough surface, breaking their arm and holds the home owner liable for their loss of income and some out of pocket expenses while they recover.

When you have contents cover, there are also some optional covers for purchase to meet more specific objectives, financial situation and needs of contents owners. Where included on the policy, these covers are further key attributes of BZI Cyclecover Home Buildings & Contents Insurance – Accidental Damage:

- (a) **Home business extension** – designed for people who run home businesses from the property and need some cover for:
- damage to certain contents items (tools, stock etc.),
 - extended legal liability cover for the business, and
 - some protection for lost revenue if the property cannot be used to run the business.

This cover is designed for small home businesses in low-risk industries that do not have complex insurance needs (for example they do not have significant customer traffic at the property). The application process will assist in determining whether the home business is suitable for this extension based on the industry and turnover.

- (b) **Specified valuable items** – designed for the owners of contents that are valuable personal items (jewellery, watches, collections) who want to make sure they are insured for their full value if they experience a financial loss as a result of those items being lost or damaged.

All the above key attributes make BZI Cyclecover Home Buildings & Contents Insurance – Accidental Damage with building and contents cover likely to be consistent with the likely objectives, financial situation and needs of the target market because it provides cover, or the option to add cover, for events that may result in significant damage to the home owner's buildings and/or contents, and provides coverage for the typical types of domestic structures, contents and valuable items that customers expect to be considered part of the insured property. The product also provides coverage for legal liability arising because of incidents relating to the buildings, contents or the home owner.

Who this product is not suitable for

This product is not suitable for owners of buildings and contents where:

- the buildings are:
 - primarily rented out, on either a long term or short term basis;
 - poorly maintained and not in an occupiable, liveable condition;
 - part of a strata title;
 - used as a hotel, motel or bed and breakfast accommodation;

or

- the contents are:
 - part of a dwelling they own and rent out i.e. landlord's fixtures and fittings;
 - part of a hotel, motel or bed and breakfast accommodation;
 - in storage that is not a commercial storage facility that is fully enclosed, lockable, and only accessible by them (or someone authorised by them);
 - contained within a dwelling that is poorly maintained and not in an occupiable, liveable condition;
 - certain items used to earn an income (such as photographic equipment and musical instruments) (unless they have been covered under the optional Home Business Extension).

Distribution conditions

The BZI Cyclecover Home Buildings & Contents Insurance – Accidental Damage can only be purchased through Cyclecover, which is a member of Network Insurance Group. BZI has contractual arrangements with Network Insurance Group who are appropriately licensed to sell their products, and as part of their licensing Network Insurance Group ensures that Cyclecover employees have adequate training to provide this product to their customers.

BZI has a range of supervision and monitoring procedures, and provides training and support regarding the process to follow for getting quotes for this product and administering the policies once purchased.

When completing a quote, the BZI processes include a number of questions that enable the collection of information that help to determine if the applicant is within the target market for this product, if we will insure them and their buildings and contents, and for what premium and excess. The customer should always answer these questions accurately and check with their intermediary if they are not sure what a question means.

These conditions make it likely that BZI Cyclecover Home Buildings & Contents Insurance – Accidental Damage will only be distributed to consumers within the target market for this product because Cyclecover employees have knowledge of the policy terms and conditions, and processes are designed to identify instances where a policy is not suitable for the applicant.

Reporting

BZI (as distributor of this product and Youi’s agent) collects information and prepares reports regarding sales activity, performance, claims data and complaints on a quarterly basis (at least) and provides this to Youi.

Cyclecover, who have been authorised by BZI to distribute this product must report the following information to BZI, who will incorporate it within their reporting requirements to Youi:

Reportable information	Reported by	Frequency
Complaints data including the number and nature of any complaints (where these have not already been raised with BZI)	BZI Network Insurance Group Cyclecover	Quarterly (within 10 business days of the end of quarter)
Any occasions where this product has been sold contrary to the TMD	BZI Network Insurance Group Cyclecover	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, or ▪ AFCA 	BZI Network Insurance Group Cyclecover	As soon as practicable after becoming aware of the matter, and no later than 10 business days

Where necessary, BZI may request additional information from Cyclecover or Network Insurance Group to determine if this product has been sold contrary to the TMD.

Reviewing this document

Youi 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 and policy sales and cancellation rates; or
- we identify that there has been a significant dealing in the product that is not consistent with the TMD.



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

In any event, a review of this TMD will be completed no later than two years from the publication date of this TMD and subsequently at two-yearly intervals.

Questions?

If you have any questions about our products or this TMD, please contact Cyclecover:

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Email: info@cyclecover.com.au

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