

TARGET MARKET DETERMINATION

COMPREHENSIVE MOTOR VEHICLE INSURANCE

About This Document

This target market determination (TMD) seeks to offer consumers, distributors and staff with an understanding of the class of consumers for which this Product has been designed, having regard to the objectives, financial situation and needs of the target market.

This document is not to be treated as a full summary of the Product's terms and conditions and is not intended to provide financial advice. Consumers must refer to the Product Disclosure Statement (PDS) and any supplementary documents which outline the relevant terms and conditions under the Product when making a decision about this product.

This TMD applies to the Comprehensive Motor Vehicle Insurance Policy (The Product) issued by Pacific International Insurance Pty Ltd (ABN 83 169 311 193)(The Issuer).

This TMD is effective from 5 October 2021.

Class of Consumers That Fall Within This Target Market

This Product has been designed for consumers whose likely objectives, financial situation and needs are aligned with the Product's key attributes. The Product is designed for those consumers who have a disability or mobility issue, or are closely associated with a person who does.

The target market includes the following segments:

- Drivers who hold a Disability Parking Permit (DPP)
- Owners of vehicles who regularly provide transport for someone who has a DPP
- Owners of vehicles that have been converted for use by a person as either a driver in a wheelchair or passenger in a wheelchair, who may or may not have a DPP

The Product is designed for those consumers who have a vehicle that is either a sedan, utility, four wheel drive, people mover, minibus or van and is manufactured less than 20 years before the inception date of the insurance and registered for use on Australian roads. The Product is only suitable for drivers over 18 years of age who hold a driver's licence that is valid in Australia, and who have had:

- no criminal convictions in the previous 5 years
- no more than 2 motor vehicle claims in the previous 3 years
- no more than 2 driver's licence suspension, cancellation or disqualification
- no current declared bankruptcy

The Product provides Comprehensive insurance cover. This cover is designed for owners of vehicles whose likely objectives, financial situation and needs are to protect against the financial burden that may result from an event damaging their vehicle and/or becoming legally liable for damage to other property through the use of their car.

The key attributes of the Product include coverage for events such as collision or impact, fire, flood, malicious damage, hail and storm, theft or attempted theft. Another key attribute is third party property damage, providing cover if their car causes damage or loss to someone else's property resulting from the use of their car.

Events such as these could result in significant vehicle repair or replacement costs, so this cover is suitable for the intended target market.

Class of Consumers Falling Outside This Target Market

This Product is not suitable for:

- Those consumers who do not have a disability or mobility issue or are not closely associated with a person who does.
- Vehicles produced by the following manufacturers:
 - Aston Martin
 - Bentley
 - Caterham
 - De Tomaso
 - Ferrari
 - Lamborghini
 - Lotus

- Maserati
- Morgan
- Porsche
- Rolls Royce
- Tesla
- McLaren
- Commercial vehicles
- Hire vehicles, taxis and tour vehicles
- Drivers aged under 18 years
- Drivers not holding a valid Australian drivers licence
- Vehicles used to carry goods for reward
- Vehicles used for racing
- Vehicles used for camping or overland activities
- Vehicles that have been declared a statutory write off

How This Product Is to Be Distributed

This Product is to be distributed through the following Distributor:

Blue Badge Insurance Australia Pty Ltd (ABN 18 620 594 765)

When completing a quote, the sales process includes a number of 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 the Distributor if they are not sure what a question means.

These conditions make it likely that this Product will only be distributed to customers within the target market for this product because distributor representatives have knowledge of the policy terms and conditions and distributor processes are designed to identify instances where a policy is not suitable for the applicant.

Reviewing this TMD

We collect information and prepare reports regarding sales activity, performance, complaints and any occasions where this product has been sold contrary to the TMD on an at least quarterly basis to help improve the Products and service.

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 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.

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

In any other 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.

Distributor Reports

The Distributor will report weekly to the Issuer on any complaints received in respect of the Product.

The Distributor, shall when called upon to do so, report to the Issuer on:

- Complaints and compliments received in respect of the Product design;
- Cancellation reason reports; and
- Loss ratios, if not already reported.