



Target Market Determination

/ Effective 10 October 2023

Caravan & Trailer Target Market Determination

For Youi Caravan & Trailer Insurance

Cover Types: Comprehensive, Third Party, Fire & Theft and Third Party Property Only

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

- the types of customer Youi Caravan & Trailer 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 can be found 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

Our Caravan & Trailer Insurance product is designed for private and business owners of caravans and trailers or those with a financial interest in a caravan or trailer, which is used on public streets and was manufactured in or after 1980. The types of caravans and trailers insured include caravans, box trailers, boat trailers, camper trailers and horse floats. However, certain caravan and/or trailer owners are outside the target market (see 'Who this product is not suitable for' below).

Within this product, you can choose from three levels of cover, depending on your objectives, financial situation or needs as outlined below.

1. Comprehensive Caravan & Trailer Insurance

Comprehensive Caravan & Trailer Insurance is designed to protect caravan and trailer owners whose likely objectives, financial situation and needs are to guard against the

financial burden that may result from an event damaging their caravan or trailer or becoming legally liable for damage to other third party property through the use of their caravan or trailer. Additionally, it 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.

Considerations to a customer's financial situation include the ability to:

- select an annual or monthly premium payment frequency; and
- where applicable; vary the premium amount by modifying the selected basic excess.

The key attributes of Youi Comprehensive Caravan & Trailer Insurance include coverage for events such as road accidents, storms, malicious damage, fires and theft, as well as some associated costs such as towing and loss or damage to contents of a caravan or camper trailer. Another key attribute is legal liability; providing cover for death, bodily injury or damage to another person's property resulting from the use of the caravan or trailer. Any of these events could result in significant caravan or trailer repair or replacement costs or liability costs, so this cover is suitable for the intended target market.

Youi Comprehensive Caravan & Trailer Insurance also provides a number of optional covers for purchase, to meet more specific needs, including:

I. Small business owners:

Business Items optional cover is designed for small business owners who own equipment, instruments and tools used in their business and whose likely objectives, financial situation and needs additionally include to protect them from incurring a financial loss to their business if the items are accidentally lost or damaged as a result of an insured event whilst in their caravan or trailer.

II. Annexes:

Annex optional cover is designed for the caravan or camper trailer owner with an annex whose likely objectives, financial situation and needs additionally include to protect them from incurring a financial loss if the annex or contents inside the annex are damaged by an insured event.

III. Caravan contents upgrade:

Caravan Contents Upgrade optional cover is designed for the caravan or camper trailer owner with contents whose likely objectives, financial situation and needs additionally include to protect them from incurring a financial loss to a higher limit of contents of their caravan or camper trailer if they are lost or damaged by an insured event.

2. Third Party, Fire and Theft Caravan & Trailer Insurance

This cover is designed for caravan and trailer owners whose likely objectives, financial situation and needs are that they do not expect their caravan or trailer to be damaged in a collision, storm or earthquake or they have the means to repair or replace their caravan or trailer if it is accidentally damaged. Additionally, it 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.

Considerations to a customer's financial situation include the ability to:

- select an annual or monthly premium payment frequency; and
- where applicable; vary the premium amount by modifying the selected basic excess.

The key attributes of Youi Third Party, Fire and Theft Caravan & Trailer Insurance are cover against fire and theft damage, and legal liability when the caravan or trailer causes death, bodily injury or damage to other people's property.

This product is suitable for the target market because it limits their financial loss from accidents to the value of their own caravan or trailer plus any applicable excess, and provides cover if the caravan or trailer is damaged by fire or theft.

Youi Third Party, Fire and Theft Caravan & Trailer Insurance also provides a number of optional covers for purchase, to meet more specific needs including;

I. Small business owners:

Business Items optional cover is designed for small business owners who own equipment, instruments and tools used in their business and whose likely objectives, financial situation and needs additionally include to protect them from incurring a financial loss to their business if the items are lost or damaged as a result of an insured event whilst in their caravan or trailer.

II. Annexes:

Annex optional cover is designed for the caravan or camper trailer owner with an annex whose likely objectives, financial situation and needs additionally include to protect them from incurring a financial loss if the annex or contents inside the annex are lost or damaged by an insured event.

III. Caravan contents upgrade:

Caravan Contents Upgrade optional cover is designed for the caravan or camper trailer owner with contents whose likely objectives, financial situation and needs additionally include to protect them from incurring a financial loss to a higher limit of contents of their caravan or camper trailer if they are lost or damaged by an insured event.

3. Third Party Property Only Caravan & Trailer Insurance

Third Party Property Only cover is designed for the owners of low value caravans and trailers or who are only seeking cover for legal liability for death, bodily injury or damage to another person's property, resulting from the use of their caravan or trailer. Additionally, it 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.

Considerations to a customer's financial situation include the ability to:

- select an annual or monthly premium payment frequency; and
- vary the premium amount by modifying the selected basic excess.

The key attribute of this cover is protection against legal liability for death, bodily injury or damage to another person's property, resulting from the use of their caravan or trailer, such as in a collision.

This product is suitable for the target market because it limits their financial loss from accidents to the value of their own caravan or trailer plus any applicable excess.

Who this product is not suitable for

This product is not suitable for caravan and trailer owners whose caravan or trailer:

- will be towed by someone who does not have a valid licence to drive in Australia;
- is offered for hire or reward;
- is used to transport dangerous materials or heavy loads;
- is unroadworthy, unsafe, unsound or affected by deterioration;
- is an unregistered caravan, camper trailer, boat trailer or horse float;
- is 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 your policy schedule) of your policy first being purchased, unless it is a new caravan or trailer purchase;
- is used for business and the owner requires cover for particular business needs; for example, business liability insurance to protect against claims from visitors injured whilst attending the caravan to conduct business.

In addition, cover for contents is limited under this policy, and it does not include cover for personal legal liability; or temporary accommodation if the caravan or trailer can no longer be lived in after an incident. Please refer to the PDS for more information about your policy limits and exclusions.

Distribution conditions

Youi Caravan & Trailer Insurance can only be purchased from the Youi website or contact centre. Youi employees are monitored and can only sell Youi Caravan & Trailer 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 include 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 Caravan & Trailer 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.

Reportable Information	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; and - subsequent policy cancellation rates. 	Quarterly
Claims data, including; <ul style="list-style-type: none"> - average claims turnaround; - percentage of claims rejected; and - percentage 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; or • AFCA. 	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.

(specific thresholds of the above metrics are recorded in Youi's internal product governance documents)

- 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).

Effective date: 10/10/2023

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