

trupanionTM

A better kind of pet insurance.

Target Market Determination (TMD)



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TRUPANION - TARGET MARKET DETERMINATION AUPB_0602023_SR



What is a Target Market Determination?

A Target Market Determination (TMD) sets out the class of customers this product has been **designed for and is suitable for**.

This TMD is required by law and provides information on:

- who the target market is for this product,
- what is covered by this product and key points,
- what is excluded – any conditions or restrictions that a customer would look for,
- product distribution conditions and restrictions,
- events and circumstances that would reasonably suggest that this TMD is no longer appropriate (such as complaints and declined claims) and review periods, and
- reporting obligations and periods.

This TMD does not form part of the insurance contract and is not a summary of the product's terms and conditions.

This TMD is available to any person at <https://trupanion.com.au>

This Target Market Determination (TMD) is made by The Hollard Insurance Company Pty Ltd ABN 78 090 584 473 AFSL 241436 (Hollard). Trupanion Australia Pty Ltd ABN 33626393628 (Trupanion) acts for Hollard under a binding authority. In this document the terms, "we", "us" or "our" refer to Hollard in its own right or via Trupanion.

Trupanion Insurance is issued by:

The Hollard Insurance Company Pty Ltd (Hollard)
ABN 78 090 58 4 473, AFSL 241436
Locked Bag 2010,
St Leonards, NSW 1590
Ph: 02 9253 6600

Trupanion Insurance is distributed and promoted by:

Trupanion Australia Pty Ltd ABN 33 626 393 628,
Hollard's Authorised Representative No. 1268213
P.O. Box 5469
Port Macquarie, NSW 2444
Ph: 1300 328 042

Specific Details related to this TMD

PRODUCT NAME

Trupanion Pet Insurance - dated post 20th March 2021 - TRU_AU (E) 00001 (V01.202103).

TMD ISSUE DATE - 29th June 2023

PDS EFFECTIVE DATE - 20th March 2021.

PRODUCT DESIGN AND DISTRIBUTION POLICY

You can obtain the policy on Hollard's approach to the development and distribution of products for appropriate target markets here:

<https://www.hollard.com.au/media/1934/hollard-development-distribution-policy.pdf>

DISCLAIMER

Any advice provided in this TMD is general only. This TMD has not considered your objectives, financial situation or needs. For more information in deciding whether this product is suitable for you, please refer to the applicable Product Disclosure Statement at <https://trupanion.com.au/policy>

Who is the target market for Trupanion Insurance?

This TMD applies to:

- A. New customers** with a domestic cat or dog that ordinarily resides with them and is owned for companionship or as a service dog (not owned for commercial reasons) who is younger than 14 years of age.
- B. Renewing customers** who wish to renew their insurance policy for their domestic cat or dog that ordinarily resides with them and is owned for companionship or as a service dog (not owned for commercial reasons).
- C. Existing customers** that wish to upgrade their insurance policy to include the Pet Owner Assistance optional benefit and/or Recovery and Complementary Care optional benefit, for their domestic cat or dog that ordinarily resides with them and is owned for companionship or as a service dog (not owned for commercial reasons).

The likely objectives, financial situation and needs of customers in the target market is a contribution towards eligible veterinary expenses, to ensure their pet can receive appropriate treatment and to reduce the cost to the customer of that treatment.

Trupanion pet insurance is a comprehensive pet insurance product that covers domestic cats and dogs, including service dogs, for illnesses and injuries as set out in the PDS.

Trupanion pet insurance does not cover any pre-existing conditions as defined in the PDS. This product does not cover costs, fees or expenses associated with veterinary examinations and preventative care, such as vaccinations. It is important for customers to read the PDS for the full list of exclusions.



Key Points of Cover for this product

Trupanion pet insurance is a simple, very broad cover with no payout limits or sub limits. **Trupanion designed its product and services with the treatment of injuries and illnesses at the veterinary hospital front of mind.**

Target Market for the Product

Who this product may be suitable for	Who this product may not be suitable for
A person is in the target market for this product if they: <ul style="list-style-type: none">• have a domestic dog, cat in Australia; and• want cover towards eligible veterinary treatment costs associated with all new injuries or illnesses with no caps or limits.• have the ability to pay for veterinary treatment prior to being reimbursed in situations where payment directly to veterinarians is not available	A person will not be in the target market if they: <ul style="list-style-type: none">• want cover for existing conditions and their associated veterinary treatment costs; or• want to cover the costs of preventative care costs such as vaccination, desexing, parasite control and other maintenance costs associated with pet ownership.• want cover for veterinary consultation fees at a local veterinary hospital or referral hospital.• do not have the ability to pay for veterinary costs in all situations of veterinary care prior to being reimbursed under their policy

Note: While Trupanion aims to pay directly to veterinary hospitals to avoid claim payment reimbursement for the policy holder, this is under the control and acceptance of the treating veterinary business. Pet owners that do not have money upfront to pay for veterinary treatment with this factor in mind may not find this product suitable for their needs and financial situation.

Features of the product

Feature	Value
No payout limits or sub-limits for covered conditions (Trupanion pet insurance has no payout limits—per Condition, per policy period, or for the lifetime of your pet.)	Unlimited for covered Conditions
Benefit Percentage (The % reimbursement you will receive for covered Conditions.)	90% (customers are required to contribute the remaining 10% of the cost of covered treatments)
Waiting periods (Coverage includes all new injuries or illnesses that develop after waiting periods.)	5 day waiting period for injuries 30 day waiting period for illnesses
Per condition lifetime excess (the amount that you pay for each covered illness or injury. Once you pay your excess for a covered Condition, you do not have to pay it again.)	Between \$0 and \$1000 per covered Condition.

Consumers who may suit this level of cover

Who this product may be suitable for	Who this product may not be suitable for
A person is in our target market for this cover if they want: <ul style="list-style-type: none">• up to 90% of their eligible veterinary expenses covered with no limits and no sub limits;• a truly broad cover of all new injuries and illnesses when treated by a registered veterinary practitioner;• flexibility to choose their own excess to suit their own budget, with an ability to increase their excess during their policy period to reduce the premium costs should their financial needs change;• certainty that their premiums will not be affected by their pets current age on renewal or if they have claimed or not claimed during the policy period.	A person will not be in our target market for this level of cover if they: <ul style="list-style-type: none">• want cover for existing illness or injuries that a pet may have already experienced prior to starting or during waiting periods;• do not want unlimited coverage and want sub-limits to apply for treatment conditions;• want annual reassessment of their pets individual risk pricing depending on their own claims history during the policy period;• want reassessment of their pets premium pricing based on its current age at renewal.



Premiums

The premiums can vary depending on certain factors about you and your pet.

Premiums are expected to vary due to the changes in cost of veterinary care for pets within the same pricing category as yours. These factors can affect the premium amount up or down depending upon whether we believe it increases or decreases the risk to us, and includes the following:

A. New policies

- Where you and your pet permanently live.
- Species, breed and gender of your pet.
- The age of your pet when first insured with us;
- and other factors related to our cost of doing business.

B. Renewing policies

- Changes as to where you and your pet permanently live.
- The age you first insured your pet (no change at renewal).
- Changes in costs of veterinary care across the insured base;
- and other factors related to our cost of doing business.

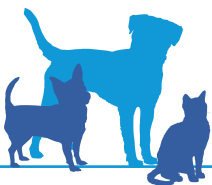
Factors that **do not** affect premium changes (pricing) upon renewal

- Your individual pet claims history,
- Your age, and
- Your pet's age at renewal.

Due to the above factors, your premium may increase or decrease from year to year.

Our pricing process can be found on our website - <https://trupanion.com.au>

Trupanion Insurance offers the convenience of monthly premium payments and choice of excess in \$5 increments. This is designed to allow a responsible pet loving person the ability to budget for their pet's illness and injury treatments. These truly broad and unlimited features allows a pet owner to make decisions for their pet's care at primary and referral veterinary hospitals with less concern about cost.



What customer is this product targeted to and not targeted to?

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.

This product is designed to provide financial protection for domestic cat and dog owners (including service dog owners) by reimbursing 90% of eligible veterinary expenses following the payment of any applicable excess, for accidents and illnesses that are not pre-existing conditions.

Reimbursement in this context means that the dog or cat owner needs in some or all cases to pay for veterinary treatment out of their own pocket prior to being paid on their eligible claim.

Criteria	Customers considered to be within the target market and/or eligible for cover include:	Examples of persons not eligible for cover and/or outside the target market include:
Eligibility	<ul style="list-style-type: none"> New customers, with a domestic cat or dog aged younger than 14 years of age. Renewing customers who wish to renew their insurance policy for their domestic cat or dog. The insured pet is a domestic cat or dog (including service dogs). The pet is ordinarily residing with the owner and living in Australia. 	<ul style="list-style-type: none"> New customers, the pet is older than 14 years of age. Renewing customers who no longer meet the terms and conditions of the renewal policy. The pet is not a domestic cat or dog. The pet is living in another country outside of Australia.
Pre-existing Conditions (PEC)	<p>New Customers who are insuring their Pet for the first time, understand that any Condition that arises:</p> <ul style="list-style-type: none"> before the Policy begins, or at the end of the designed Waiting Period <p>is a Pre-existing Condition and is not covered.</p> <p>Please see the PDS for Pre-existing Condition definition.</p>	<p>New Customers who want cover for pre-existing conditions (see the PDS for the definition on Pre-existing Condition).</p> <p>New customers who wish to transfer or switch from another pet insurance policy to a Trupanion pet insurance policy but their pet has a pre-existing condition that the customer wants cover for.</p>
Scope of Cover and Product Features	<p>Customers who are looking for a more comprehensive cover for accidents and illnesses (that are not pre-existing conditions).</p> <p>Customers who do not want cover only for specified Accidental Injuries.</p> <p>Customers who understand that they will need to pay 10% of the cost of covered Conditions as well as any excess that may apply once for each covered Condition for the life of the pet.</p> <p>Customers who prefer to pay any applicable excess for each covered condition once. Examples of how the per condition excess works is available on Trupanion's website at https://trupanion.com.au/pet-insurance/excess</p>	<p>Customers who are looking for a more limited cover (i.e. policies that only cover certain specified Conditions, have annual limits and/or condition sub-limits or only provide cover for accidental injury).</p> <p>Customers who prefer that more than 90% of eligible vet expenses are reimbursed (i.e. they do not want to pay 10% of the cost of covered Conditions).</p> <p>Customers who prefer to pay an annual excess on any eligible claims.</p>
Terms & Conditions	Customers who agree to the terms, conditions and exclusions listed in the PDS.	Customer who want coverage for any conditions or treatments listed in the general exclusions of the PDS.

Distribution conditions and requirements

Trupanion pet insurance policy can be issued to retail customers by The Hollard Insurance Company Pty Ltd ABN 78 090 584 473 AFSL 241436 as long as the customer is eligible for the cover in accordance with the underwriting criteria approved in writing by Trupanion.

Trupanion pet insurance policy can be distributed to retail customers through the following channels:

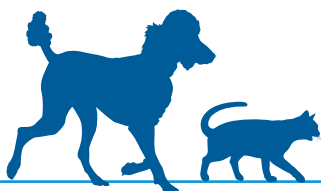
- By a customer phoning the insurer's administrator, Trupanion
- By a customer visiting the Trupanion website

These distribution channels have been reviewed as an appropriate means to reach the target market.

All enquiries 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 our eligibility criteria, which align with our description of the target market set out above. A sale will not progress if these eligibility criteria are not met.

All call centre representatives 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 our target market.

Trupanion Insurance is promoted and distributed by Trupanion with appropriate terms for ensuring that it only distributes the product to customers that fall within the target market.



Review of the TMD

To ensure that the product is suitable for the class of customers it has been designed for, the following data will be reviewed in accordance with;

Number and nature of complaints

Any spikes or increases in complaints received that identify issues with the way the product was sold; the scope of the cover or a claims experience (declined or partially denied claims) that may indicate an issue with the product and its suitability for the TMD.

Claims experience

Any spikes or increases in claims declined; withdrawn or average claim times that may indicate an issue with the product or its suitability for the TMD.

Loss ratios (also known as claims ratios)

Any downward changes in the loss ratio that may indicate an issue with the product or its suitability for the TMD.

Policy lapse/cancellation rates

Any spikes or increases in policy lapse rates and cancellation rates that may indicate an issue with selling practices and/or an issue with the product and its suitability for the TMD.

Reporting obligations and review periods

TMD COMMENCEMENT DATE - 5th October 2021

Initial TMD Review Date - 29th June 2023

TIMING OF REVIEW - We will review this TMD within 24 months from its commencement date and subsequently every 24 months thereafter.

Review Trigger

Review triggers include the following examples of events and circumstances that would reasonably suggest that the TMD is no longer suitable for the class of customers this product has been designed for:

- Data metrics changes as set out in the above section.
- Feedback from the Code Governance Committee, AFCA or a regulator such as ASIC or APRA to suggest the TMD is no longer appropriate.
- If there is a material pricing or product change.
- The product is distributed in a manner that is inconsistent with this TMD.
- There is a material change to our underwriting rules or process.
- There is a material change in our claims' assessment process.



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