

# Target Market Determination

Version:

TMDMIBIKEMCCOMP10/21

## TARGET MARKET DETERMINATION

<b>Product Disclosure Statement (PDS):</b>	<i>Mi-Bike Comprehensive Motorcycle Insurance Combined Product Disclosure Statement and Policy Wording 10/21</i>
<b>Commencement Date:</b>	This Target Market Determination ( <b>TMD</b> ) applies to the Product from 05/10/2021 and will continue to apply until this TMD is withdrawn.
<b>Product Issuer:</b>	HDI Global Specialty SE – Australia, ABN 58 129 395 544, AFS Licence No 458776 ( <b>HDI</b> ).
<b>Product Distributor:</b>	Yamaha Motor Insurance Australia Pty Ltd ABN 48 603 882 980, AFS Licence No 497198 ( <b>YMI</b> ).

## ABOUT THIS DOCUMENT

This Target Market Determination applies to the Mi-Bike Comprehensive Motorcycle Insurance (**the Product**) described in Product Disclosure Statement and Policy Wording Document dated 01/10/2021 and any applicable Supplementary Product Disclosure Statement (together **the PDS**). This TMD seeks to offer customers, distributors and employees an understanding of the class of customers for which this Product has been designed for by considering the class of customers' needs, objectives and financial situation.

YMI acts under a binding authority as agent for the Product Issuer of this product.

## WHAT IS A TARGET MARKET DETERMINATION?

This TMD provides YMI's staff, distributors and customers information about:

- the customers for whom this Product is appropriate (being the target market);
- the customers for whom this Product is NOT appropriate;
- any distribution conditions and/or restrictions attaching to the Product;
- the reporting obligations of the distributors; and
- the review period(s) and events which may trigger a review.

This TMD is not intended to provide any financial product advice to customers on the cover provided.

Terms used in this TMD that are defined for the purpose of Chapter 7 of the Corporations Act 2001 (Cth) (**the Act**), have the same meaning as under the Act.

Please note that it is the PDS that sets out the standard terms and conditions of the cover. This TMD does not form part of the terms of the cover. A customer must always refer to the PDS, Policy Wording and any Supplementary Product Disclosure Statement (available from [https://www.mi-bike.com.au/-/media/files/mi-bike/october-2021/ymf198-mibike-comprehensiveinsurance\\_7.ashx](https://www.mi-bike.com.au/-/media/files/mi-bike/october-2021/ymf198-mibike-comprehensiveinsurance_7.ashx)) before making a decision about the Product, to ensure the Product is suitable for their needs.

**WHAT PRODUCT DOES THIS TARGET MARKET DETERMINATION APPLY TO?**

This Product provides three levels of cover as set out below and has been designed for customers in the target market to provide financial protections as follows:

- Comprehensive Cover
- Third Party, Fire, Theft and Transit Cover; and
- Third Party Liability Cover only.

Comprehensive Cover

Comprehensive Cover includes cover for loss of or damage to customers’ motorcycle caused by an accident or by fire, malicious acts, storm or flood, theft or transit damage; and legal liability arising from the use of their motorcycle.

Third Party, Fire, Theft and Transit Cover

Third Party, Fire, Theft and Transit Cover includes cover for loss or damage to customers’ motorcycle caused by fire, theft or transit damage; and legal liability arising from the use of their motorcycle.

Third Party Liability Cover only

Third Party Liability Cover only is cover for legal liability arising out of the use of customers’ motorcycle.

The Product provides additional benefits for certain consumers who own a new or near-new motorcycle. Additional and Optional Covers may also apply and/or be available. Conditions, limitations and exclusions may apply.

**WHICH CLASS OF CUSTOMERS FALL WITHIN THIS TARGET MARKET?**

This Product is designed for a class of customers whose likely needs, objectives and financial situation outlined below, are aligned with the Product and its key attributes and eligibility criteria.

**Product description and key attributes**

The key eligibility criteria requirements to purchase the Product include:

Key eligibility criteria	This Product is appropriate for	This Product is not appropriate for
The type of vehicle you own	<ul style="list-style-type: none"> <li>• Motorcycles designed and registered to be ridden on the road</li> <li>• Scooters</li> <li>• Motorcycle is only ridden by person/s who are licenced to ride it on the road</li> </ul>	<ul style="list-style-type: none"> <li>• Off-road motorcycles</li> </ul>

How you use your vehicle	<ul style="list-style-type: none"> <li>Used for private use only</li> </ul>	<ul style="list-style-type: none"> <li>Motorcycle used to participate in any racing or motorsport activity</li> <li>Motorcycle is used off-road</li> <li>Motorcycle is used for deliveries, carrying paying customers, driver education or hire.</li> </ul>
The condition of your vehicle	<ul style="list-style-type: none"> <li>Good repair and condition</li> <li>Meets the registration requirements in your state or territory</li> </ul>	<ul style="list-style-type: none"> <li>Not in good repair and condition</li> <li>Does not meet registration requirements</li> </ul>

### Needs and objectives

This Product has been designed for people who require a choice of different covers as set out in the table below. The crosses indicate the needs and objectives that each choice of cover has not been designed for:

Needs and objectives	Choice of cover		
	Comprehensive	Third Party Fire Theft and Transit	Third Party Liability Cover
Level of cover	High level of cover	Mid level of cover	Lowest level of cover
Requiring cover for damage to your Motorcycle	✓	✓ If caused by fire or theft or during transit	X
Requiring cover for Legal Liability following a motorcycle accident causing loss or damage to a third party's property	✓	✓	✓
Requiring protection for your Legal Liability for injury caused by a motor vehicle accident	X	X	X
Requiring choice of additional covers or options	✓	X	X

\*Each PDS has specific coverage and limitations.

## Financial situation

The Product is suitable for the class customers who are able to pay in accordance with the chosen premium structure, excess, fees and government charges, having regard to personal circumstances and vulnerability or hardship considerations.

	Choice of cover		
Relevant Financial situation considerations include:	Comprehensive	Third Party Fire and Theft	Third Party Liability Cover
Level of cover	High level of cover	Mid level of cover	Lowest level of cover
Ability to potentially vary your premium by considering different levels of cover	Generally has a higher level of premium	Generally has a mid level of premium	Generally has the lowest premium level
Ability to potentially vary your premium level by choosing your excess	✓	✓	✓
Ability to choose to pay you premiums annually or by instalments	✓	✓	✓

## Consistency with the target market

The Product including its key attributes is likely to be consistent with the likely objectives, financial situation and needs of the class of customers in the target market, as we consider that it provides the required type of insurance cover for that class of customers. This has been determined based on an assessment of the insurance Product including its key attributes. Individual customers will need to consider whether this insurance Product meets their specific objectives, financial situation and needs.

## WHO IS NOT WITHIN THE TARGET MARKET FOR MI-BIKE COMPREHENSIVE MOTORCYCLE INSURANCE?

**Customers NOT within the Target Market**  
**(Customers are NOT within the target market if any of the following conditions applies)**

<b>x</b>	Own or have an insurable interest in a motorcycle that is not designed and registered to be ridden on the road, including off-road motorcycles, ATV, ROV etc.
<b>x</b>	Use the motorcycle otherwise than for private use – this includes letting out the motorcycle for hire, food delivery or carrying paying passengers

<b>x</b>	Use the motorcycle for any purpose other than that for which is was designed such as using it off-road
<b>x</b>	Use the motorcycle for participating in any racing or motorsport activity
<b>x</b>	Are unlicensed or allow the motorcycle to be ridden by anyone who is not licensed to ride the motorcycle on the road
<b>x</b>	Allows the motorcycle to be used for any illegal purpose or in any way contrary to the law

## WHAT DISTRIBUTION CONDITIONS APPLY TO THIS PRODUCT?

The Product application process has been designed to guide customers directly to the product most likely to meet their needs and objectives based on their responses to the questions in our product application.

YMI's staff and authorised distributors have been adequately trained in the Product, the customer(s) it is intended for and the underwriting criteria applicable to the Product.

<b>Distribution Restrictions</b>	<p>This Product can only be distributed if the following conditions are met:</p> <ul style="list-style-type: none"> <li>■ It can only be sold direct to a customer by a YMI staff member or via a distributor.</li> <li>■ The agreement between the distributor and YMI sets out the obligations on the distributor and YMI to distribute products only to customers within the TMD, and the ramification if the Product is distributed to customer outside of the TMD.</li> <li>■ The distributor must; <ul style="list-style-type: none"> <li>– be authorised to distribute the Product and those arrangements must not have been cancelled or suspended;</li> <li>– agree to comply with all underwriting criteria and levels of authority (as applicable);</li> <li>– agree to not distribute the Product where they receive notice from YMI that this TMD is not up to date and no new TMD has been provided; and</li> <li>– where a new TMD has been provided, agree to distribute in accordance with the new TMD.</li> </ul> </li> <li>■ The TMD is currently not subject to any ASIC action that might suggest that the TMD is no longer appropriate.</li> </ul> <p>A distributor is not authorised to provide any financial product advice to customers on the cover provided and they do not consider any customer's personal needs, objectives or financial situation in providing any information.</p>
----------------------------------	--

<b>Distribution Conditions</b>	<ul style="list-style-type: none"> <li>- This Product can only be sold via an offer of cover and acceptance of cover.</li> <li>- This Product can be sold to customers within the target market without the customer being provided with any financial product advice or, general or personal advice.</li> </ul>
<b>Distribution Method</b>	<ul style="list-style-type: none"> <li>- This Product can be sold by a YMI staff member or a distributor on-line, over the telephone (in-bound or our-bound call) or face to face.</li> </ul>

## INFORMATION REQUIRED FROM DISTRIBUTORS AND REPORTING PERIODS

YMI and its distributors of this Product are required to provide HDI with information in relation to the Product covered by this TMD in the circumstances as set out in the table below. This information the Product Issuer need to identify, or the product distributor needs to provide to enable the Product Issuer to assess if the TMD is no longer appropriate for this Product.

Reportable matters	When
The cover is issued to a customer that was ineligible for cover in accordance with the Application Process.	As soon as practicable after you become aware of the matter, and within 10 business days.
<p><b>Complaints information</b></p> <ul style="list-style-type: none"> <li>▪ The number of complaints the distributor has received about this Product in the reporting period.</li> <li>▪ A short summary of the nature of the complaint raised and any steps taken to address the complaints; and</li> <li>▪ Any general feedback on this Product.</li> </ul> <p>Distributors should include sufficient details about the complaint that would allow HDI to identify whether the TMD may no longer be appropriate to the class of customers.</p>	<p>Monthly and no later than 10 business days after the agreed complaints reporting date (<i>Complaints Reporting Period</i>).</p> <p>Notification of the complaint within 2 business days after receipt.</p>
There have been any significant dealings by you that are inconsistent with the TMD.	As soon as practicable after you become aware of the matter, and within 10 business days.
Communication from a regulator in relation to the Product or TMD.	Same day

## **SIGNIFICANT DEALINGS**

If an actual or possible significant dealing outside of the target market is identified, HDI requires information such as the date (or date range) the dealing occurred, details about the dealing(s) and any steps or actions taken to mitigate.

Distributors should have regard to current ASIC guidelines when determining what may constitute a significant dealing.

YMI will notify HDI of any significant dealing in the Product that is not consistent with the TMD as soon as practicable (within 10 business days). This includes but is not limited to a consideration of the nature and degree of harm resulting from the issue of this Product to a retail customer.

## **WHEN WILL WE REVIEW THIS DOCUMENT?**

The initial review of this TMD will occur no later than 12 months from the date this TMD is first published, or within 10 business days if an event or circumstance (Review Trigger) occurs which would reasonably suggest that the TMD is no longer appropriate.

This TMD will then be reviewed at least every 24 months after the end of the previous review or agreed otherwise by HDI.

## **OTHER CIRCUMSTANCES WHICH MIGHT REQUIRE US TO REVIEW THIS DOCUMENT?**

Outside of the identified review period this TMD may be reviewed more regularly if an event or circumstance is identified that may reasonably suggest that the Product is no longer suitable to the target class of customers and would trigger a review. These would include, but are not limited to, us becoming aware of:

- an event or circumstance that would materially impact on or change a factor taken into account when making the TMD that would suggest to Us that the TMD is no longer appropriate, such as a change in underwriting requirements;
- the Product has materially been distributed and purchased in a way that is significantly inconsistent with this TMD;
- a material change to the Product including Product Disclosure Statement, Policy Wording information or assumptions upon which the TMD was formulated like the Application Process, pricing requirements, underwriting guidelines;
- feedback, such as significant or systemic complaints or claims issues, received from distributors or customers who purchased the Product, which are of a nature that suggest to us that the TMD is no longer appropriate;
- change of relevant law, regulatory guidance, industry code or feedback from regulators such as ASIC, APRA or other interested parties which has a material effect on the terms or distribution of the Product.

## **QUESTIONS OR FEEDBACK**

If you have any questions or wish to provide any feedback or make a complaint about this TMD, please contact YMI on:

Email: [customerservice@mi-bike.com.au](mailto:customerservice@mi-bike.com.au)

Phone: 1300 780 446