

This document is the Target Market Determination (TMD) for Blue Zebra's Lockton Pulse Retirement Living Residents Contents Accidental Damage Insurance Product issued by the insurer, Youi Pty Ltd (Youi). Blue Zebra Insurance (BZI) arranges and administers the products and acts under a binding authority for Youi.

## About this document

We want to make sure that our products are suitable for the customers who buy them. The purpose of this TMD is to set out how we do this. It seeks to offer customers, distributors, and employees an understanding of the class of customers for which these products have been designed, considering their needs, objectives and financial situation, how the products are distributed, when the TMD will be reviewed and what information is required to maintain the accuracy of this TMD.

This TMD is not intended to provide financial advice regarding coverage, nor does it form part of the terms of cover. It has been prepared without taking into account any individual person's particular objectives, financial situation or needs. In addition to the key eligibility requirements outlined in this document, the product is also subject to acceptance criteria; for example, we have a set of underwriting rules we use to assess whether a risk is of a type or level we wish to insure. These factors may change over time or in different circumstances. We apply these factors when we decide whether to offer, issue, renew or agree to vary a policy.

More information about this product is contained in the Product Disclosure Statement (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.

### PDSs that this TMD applies to:

- Blue Zebra's Lockton Pulse | Retirement Living Residents Contents | Accidental Damage

## Home Contents Insurance

### Who this product is designed for:

This tailored home contents Insurance product is designed exclusively for residents within retirement living communities who wish to protect their personal belongings and possessions inside their homes, with certain aspects of the cover extending away from home, against various risks such as theft, fire, water damage, or natural disasters. This product is likely to be consistent with the likely objectives, financial situation, and needs of consumers in the target market for the following reasons:



- 1. Personal Belongings Protection:** Home contents Insurance is appropriate for individuals or couples residing in retirement living communities who value their personal belongings and want to ensure they are protected. This includes furniture, appliances, electronics, clothing, jewellery, medical aids and other valuable items.
- 2. Financial Security:** The target market for home contents insurance may consist of consumers who want to safeguard their financial investment in their belongings. This insurance coverage provides compensation for the repair or replacement of damaged or stolen items, helping to mitigate potential financial losses that could be burdensome for individuals or couples.
- 3. Flexibility for Retirement Living Communities:** Home contents insurance is also suitable for residents who may not have control over the building structure but still want to protect their personal possessions and have cover for their legal liability.
- 4. Protection Against Liability (Personal Liability Coverage):** Home contents insurance also provides liability coverage, effectively protecting residents from potential legal and financial consequences if someone is injured on their property or if they accidentally damage someone else's property. This personal liability coverage extends worldwide, offering protection to the homeowner or renter if they become liable to pay for the injury or damage caused to unrelated people or their property, regardless of where the incident occurs in the world.

Moreover, the financial situation of consumers in this target market should be taken into consideration. For many contents owners, the cost of replacing or repairing their possessions could be substantial and potentially burdensome. Contents insurance provides a practical and affordable solution by spreading the risk over regular premium payments, allowing individuals to manage their finances more effectively and mitigate the impact of unexpected losses.

**The key attributes of home contents insurance are:**

- 1. Coverage for Personal Belongings:** Home contents insurance protects the items inside your home and sometimes away from your home, such as furniture, electronics, clothing, appliances, medical aids and other personal belongings.
- 2. Perils Covered:** Contents insurance covers specific risks like accidental damage, fire, flood, storm (including hail and lightning), earthquake, liquid escaping or leaking from burst pipes, theft and attempted theft; and impact of a vehicle or tree.
- 3. Limitations and Valuables:** Contents insurance may have limits on certain types of items, like medical aids, money, bullion, expensive jewellery, art, or collectibles. For some of these items you may be able to purchase additional coverage to insure them for their full value.
- 4. Automatic Additional Coverage for Fixtures & Fittings:** The product automatically includes additional cover for fixtures and fittings that residents own and that are not legally part of the unit building according to relevant state or territory law, which includes, but is not limited to, lino, floating wooden floors, permanently fixed outdoor items (such as solar panels, satellite dishes, and clothes lines), air conditioners, water tanks, spas, fixtures intended to be removed upon vacating, and outdoor structures like pergolas and gazebos. The most we will pay under this additional cover is \$10,000 for any one claim. This enhancement demonstrates an understanding of the specific living arrangements and personalisation of homes within retirement living communities.
- 5. Additional benefits:** In addition to repairing or replacing 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. 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 contents items.
- 6. Liability Coverage:** Our contents insurance policies also include liability coverage, protecting you against a claim for compensation or expenses which you become legally liability to pay for the death of, or personal injury to, a person, or damage to property.

**The key eligibility criteria of home contents insurance are:**

Key Eligibility Criteria	This product is suitable for	This product is not suitable for
		
The type of home you live in as the owner or as a tenant in private residences within retirement living communities where your contents are permanently kept	General contents you own within a retirement living community that is a: <ul style="list-style-type: none"> <li>▪ free standing home;</li> <li>▪ townhouse, terrace house; villa or duplex/triplex;</li> <li>▪ unit, flat or apartment;</li> <li>▪ semi-detached house;</li> <li>▪ strata titled property.</li> </ul>	Contents you own within: <ul style="list-style-type: none"> <li>▪ part of a dwelling you own and rent out i.e. landlord's fixtures and fittings;</li> <li>▪ a hotel, motel, bed &amp; breakfast, homestay, hostel, serviced apartment, boarding house or guesthouse;</li> <li>▪ community or public housing;</li> <li>▪ storage that is not a commercial storage facility that is fully enclosed, lockable, and only accessible by them (or someone authorised by them);</li> <li>▪ commercial storage where all of your contents are in storage (if your contents are in a commercial storage facility, limits apply).</li> </ul>
The type of contents	We will cover household goods or personal effects that you own or are legally responsible for.	Contents listed as excluded and/or under 'What are not contents' in the PDS, such as: <ul style="list-style-type: none"> <li>▪ animals;</li> <li>▪ trailers;</li> <li>▪ plant or trees growing outdoors;</li> <li>▪ electric scooters that require registration;</li> <li>▪ motorcycles requiring registration;</li> <li>▪ watercraft more than four meters long or that require registration;</li> <li>▪ personal watercraft (for example, jet skis);</li> <li>▪ any item which is legally part of a unit building according to the relevant state or territory strata law.</li> </ul>
How you use the home you live in as the owner or as a tenant in private residences within retirement living communities	A home that is your primary residence.	A home which is: <ul style="list-style-type: none"> <li>▪ used as a hotel, motel, bed &amp; breakfast, homestay, hostel, serviced apartment, boarding house or guesthouse;</li> <li>▪ used for community or public housing;</li> <li>▪ used predominantly for commercial or business purposes;</li> <li>▪ used partially for commercial or business purposes unless it is permitted by Issuer;</li> <li>▪ unoccupied for an extended period of time*.</li> </ul>
The condition of the home you live in as the owner or as a tenant in private residences within retirement living communities	The home meets the necessary acceptance criteria, including being: <ul style="list-style-type: none"> <li>▪ secure;</li> <li>▪ watertight;</li> <li>▪ structurally sound; and</li> <li>▪ well maintained.</li> </ul>	The home does not meet the necessary acceptance criteria, including being: <ul style="list-style-type: none"> <li>▪ under initial construction; undergoing significant alterations, additions, demolition, repairs or decorations to the home building unless permitted by the Issuer;</li> <li>▪ being poorly maintained or in poor condition (for example, not secure, waterproof or structurally sound);</li> <li>▪ in an unoccupiable condition (for example, not connected to electricity or running water).</li> </ul>

\*Please refer to the PDS for unoccupancy conditions.

## Meeting the needs and objectives of our target market

Understanding the unique lifestyle and concerns of residents within retirement living communities has guided us to streamline our insurance offering to Accidental Damage coverage only. This singular focus allows us to offer a product that is highly relevant and tailored to the needs of our customers in these settings.

Our Accidental Damage only offering is designed with the understanding that:

- Residents prefer straightforward and easy-to-understand insurance products that offer clear benefits without the complexity of choosing between multiple coverage levels. This approach aligns with our commitment to transparency and simplifying the insurance process for our customers.
- Our Accidental Damage coverage is designed to provide peace of mind by offering comprehensive protection against a wide range of incidents. This ensures that the insurance product is not only relevant but also offers the most value by protecting against the risks that matter most to our customers.

By focusing on Accidental Damage coverage, we are meeting the direct needs of our target market, offering them an insurance solution that is aligned with their lifestyle, offers peace of mind, and respects their financial considerations. This tailored approach ensures that our customers receive the most relevant and effective protection for their personal belongings within the unique environment of retirement living communities.

Accidental Damage	
Cover for damage to your home contents	Cover for accidental damage, accidental loss and listed events with additional benefits
Location of where cover is provided if contents cover is chosen	<ul style="list-style-type: none"> <li>▪ At your home;</li> <li>▪ At your home in the open air; and</li> <li>▪ Away from your home.</li> </ul>
Accidental loss or damage away from your home	<input checked="" type="checkbox"/>
Liability cover – as the property owner or occupier of the property	<input checked="" type="checkbox"/>
Flood cover	<input checked="" type="checkbox"/>
<b>Optional cover</b>	
Ability to specify certain contents items to increase the value they are covered for (where there is a flexible limit).	<input checked="" type="checkbox"/>

## Financial situation

We want to make insurance decisions easy for our customers, by allowing them to take into account their unique circumstances and financial needs. A customer’s financial situation is an essential factor in determining the most suitable coverage options, premium payments, applicable excesses, and their ability to pay amounts that may exceed any policy limits in the event of a loss. Here are some key considerations:

**Excess Choices:** We offer a range of excesses - the amount paid towards a claim before coverage begins - giving our customers greater control over their insurance costs. For example, selecting a higher excess will reduce the premium, however the customer will have to pay the higher excess in the event of a claim.

**Payment Options:** In line with our goal to simplify the insurance process, premiums are payable annually. This single payment option has been chosen to ease financial planning for our customers, eliminating the need for instalment billing and associated loadings. This approach ensures a straightforward and predictable payment schedule.

## Distribution conditions

Blue Zebra's Lockton Pulse Retirement Living Residents Contents Accidental Damage Insurance Product can only be purchased from the Lockton Companies Australia Pty Limited (ABN 85 114 565 785, AFSL 291 954), trading as "Lockton Pulse" (Lockton) website or contact centre.

Employees of Lockton contact centre can only provide general advice (unless they are a qualified insurance broker) when selling Blue Zebra's Lockton Pulse Retirement Living Residents Contents Accidental Damage Insurance Product. If a customer requires specific advice or has complex needs, they will be referred to a Lockton broker who is qualified to provide that advice.

BZI has a contractual arrangement with Lockton brokers who are appropriately licensed to sell their products, and as part of their licensing these brokers have adequate training to provide this product to their customers.

When completing a quote, the Lockton website and sales 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 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 Blue Zebra's Lockton Pulse Retirement Living Residents Contents Accidental Damage Insurance Product will only be distributed to consumers within the target market for this product because the processes are designed to identify instances where a policy is not suitable for the applicant and where there is interaction with a broker, the brokers have knowledge of the policy terms and conditions.

## Reporting

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

All brokers who have been authorised by BZI to sell and administer 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 Brokers	Quarterly (within 10 business days of the end of quarter).
Any occasions where this product has been sold contrary to the TMD.	BZI Brokers	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"> <li>▪ a regulator;</li> <li>▪ the General Insurance Code Governance Committee; or</li> <li>▪ AFCA.</li> </ul>	BZI Brokers	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 brokers to determine if this product has been sold contrary to the TMD.

## Reviewing this document

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, claims denied or withdrawn, policy sales, lapse 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 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 your broker, or BZI:

Phone: 1300 171 535

Email: [info@bzi.com.au](mailto:info@bzi.com.au)

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