

Target Market Determination (TMD)

MECHANIC – SUPERIOR

Effective Date: 7th June, 2023

UNDERSTANDING THE TMD

This Target Market Determination (TMD) is for the Mechanic Superior Warranty (Warranty), which is issued by your Motor Dealer.

Eric Insurance Limited ABN 18 009 129 793 is the administrator of the Warranty (Warranty Administrator). The Warranty is not an insurance product offered by Eric Insurance Limited, it is an incidental financial product regulated under the Australian Consumer Law and the Australian Securities & Investments Commission Act.

The intention of the TMD is to identify who this product is most suitable for (target market).

The TMD does not provide any financial advice, nor does it take into consideration any individual's personal needs, objectives, or financial situation. The TMD does not form part of the terms of cover of the Product Document (PD). Customers must consult the PD and supplementary documents, which outline the relevant terms, conditions and exclusions that may apply under the product before making any decision about a product. Capitalised terms which are not defined in this TMD can be found in the PD.

The TMD will apply to all Warranties issued by the Dealer on or after 7th June, 2023.

PD TO WHICH THIS TARGET MARKET DETERMINATION APPLIES.

There are two types of Warranties offered by the Dealer one without roadside assistance and one with roadside assistance. This TMD relates to the following PDs:

- Mechanic Superior (Roadside) – Dealer – VDBMVIMSUPER111022
- Mechanic Superior – Dealer – VDBMVIMSUPE111022

CUSTOMER'S LIKELY NEEDS, OBJECTIVES AND FINANCIAL SITUATION.

The Mechanic Superior Warranty is designed for customers of the Dealer with certain objectives, needs and financial situations where the customer has purchased a vehicle from the Dealer with the following attributes at the time of purchase:

- The vehicle is 10 years old (or less) from the date the vehicle was manufactured and first registered; and
- The vehicle has less than 175,000 kilometres recorded on its odometer; and
- The vehicle does not have a manufacturer's warranty or the Dealer's statutory warranty has expired or is due to expire within the first 6 months after the purchase of the vehicle.

The Warranty is suited to customers with the following objectives, needs and financial situation:

- Customers who require the certainty of having a warranty to protect themselves against the financial loss or burden of having their vehicle repaired as a result of mechanical breakdown to a covered component (rather than relying on statutory warranties available to them under the Australian Consumer Law);

- Customers who can afford to pay the Warranty cost (and any associated excess or other payments) that must be made to access the protection it contains and require additional protection for the cost of repairs, replacement, or to pay the reasonable costs to repair or to replace a covered component up to the maximum claim benefit;
- Customers who want to have the certainty of having access to benefits that help them to meet out of pocket expenses, such as towing, car rental, accommodation, and quality guarantee when the vehicle experiences a mechanical breakdown and is being repaired under the Warranty.
- Customers who would like to have the option of including roadside assistance benefits with their Warranty rather than purchasing a separate roadside assistance service (these customers must select the Warranty with roadside assist (VDBMVIMSUPER111022)).

CUSTOMERS WHO MECHANIC SUPERIOR IS DESIGNED FOR.

The Mechanic Superior Warranty has been designed for customers who seek to protect themselves against financial burden that may occur as a result of mechanical breakdown to their vehicle.

This product is suitable for customers who:

- Are over the age of 18;
- Are the registered owner of the vehicle; and
- Maintain and service the vehicle in accordance with the Manufacturer's recommendations, and retain the Service Records for each service; and
- The vehicle is:
 - Roadworthy and registered;
 - Has a carrying capacity of less than 2 tonnes; and
 - Is (at the time of purchasing Mechanic Protection Superior):
 - 10 years old or less (from the date when it was first registered); and
 - Has less than 175,000 kilometres recorded on its odometer.

For full details of coverage in this product, including conditions and exclusions applicable you should read the PD, which can be found at ericinsurances.com.au.

CUSTOMERS WHO MECHANIC SUPERIOR IS NOT DESIGNED FOR.

There are also circumstances for which the Mechanic Superior Warranty will not be suitable.

This product is not suitable for customers who:

- Are under the age of 18;
- Are not the registered owner of the vehicle; and
- May not intend to maintain and service the vehicle in accordance with the Manufacturer's recommendations, and retain the service records for each service
- Need or want to be protected against:
 - damage to a Component / Part caused by an event that is expressly excluded under the terms of the product; or
 - any of the other exclusions described in the Product Document Wording for the Mechanic Superior, such as Consequential Loss; wheels or tyres, failures that existed prior to the start of the Product Period (among others);
- The vehicle is:
 - Not roadworthy and registered;
 - Has a carrying capacity of more than 2 tonnes; and

- Is (at the time of purchasing Mechanic Protection Superior):
 - Is more than 10 years (from the date when it was first registered); and/or
 - Has more than 175,000 kilometres recorded on the odometer.

DISTRIBUTION OF MECHANIC SUPERIOR.

This Warranty is offered by your Dealer. It is not available for purchase through any other person.

This Warranty can only be issued to customers who meet the Dealer's eligibility criteria. The Dealer uses a warranty administration platform to identify which customers are best suited to this Warranty and this platform is provided by the Warranty Administrator. The Warranty Administrator supports the Dealer by providing training on the use of the platform and understanding the target market including how to identify people within and outside of the target market. The platform supports the processes and systems that are in place to help to ensure the Dealer's distribution of Mechanic Superior Warranty within the target market.

REVIEWING THE TMD

We will review this TMD in accordance with the following:

First review	Within two (2) years of the effective date of this TMD.
Subsequent reviews	At least two (2) years after the end of the previous review.
Review triggers	<p>They will also review this TMD if any event or circumstance (review trigger) that is identified by them or the Warranty Administrator, that would suggest that the TMD is no longer appropriate. This may include (but not limited to):</p> <ul style="list-style-type: none"> • Any material changes to the design or distribution of the product, including material changes and changes to documentation. • A change to the underwriting acceptance criteria and/or application process that impacts the suitability of this product for the target market. • Any material changes to the distribution of the product. • Identification of systemic issues across the product or distribution. • Significant changes in metrics, including but not limited to policy cancellations, lapses in renewals, claims, complaints, and loss ratios. • Where applicable, feedback from distributors and customers or events such as adverse media coverage or regulatory feedback; and • Where the Dealer have determined that a significant dealing has occurred

We will review the TMD within 10 business days of the occurrence of any review trigger.



REPORTING AND MONITORING OF THIS TMD

Your Dealer will collect and will be required to report on the following information regarding to this TMD:

Complaints	All complaints in relation to this product on a quarterly basis. This may include written details of the complaint.
Sales data	Relevant sales and customer data in relation to this product on a quarterly basis.
Claims data	Where relevant, claims data in relation to this product on a quarterly basis.
Significant dealings	Report if we or they become aware of significant dealings in relation to the product that is inconsistent with the TMD within 10 business days.