

Target Market Determination (TMD)

Off Road Bike GAP Insurance

Effective Date: December 6th, 2021

Understanding the TMD

This Target Market Determination (TMD) applies to the Off Road Bike GAP Insurance product, issued by Eric Insurance Limited (eric) ABN 18 009 129 793, AFS Licence No. 238 279.

The intention of the TMD is to provide an understanding to customers, distributors and employees of the class of customers for which this product has been designed, considering a customer's likely needs, objectives and financial situation.

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 Disclosure Statement (PDS). Customers must consult the PDS and supplementary documents, which outline the relevant terms, conditions and exclusions that may apply under the product before making any decision about a product.

A customer may fall within the relevant target market, though they may not meet the underwriting acceptance criteria of the issuer.

The TMD will apply to all policies that a purchased or renewed on or after October 5th, 2021.

PDS to which this Target Market Determination applies.

This TMD applies to the following PDS';

- Off Road GAP Bike Insurance – Dealer (VDBORBGAP230221)
- Polaris Off Road GAP Bike Insurance – Dealer (VPOLORBGAP280421)

Key Attributes of the Off Road Bike GAP Insurance product

eric Off Road Bike GAP Insurance provides cover for:

- The shortfall between the amount owing on the finance contract and the total loss value of the vehicle, should the vehicle be declared a total loss by the vehicle insurer, in the case of fire or theft;
- A proportional shortfall between the amount owing on the finance contract and the total loss value of the vehicle, should the vehicle be declared a total loss by the vehicle insurer, in the case of accidental damage;
- A private expenses benefit should a shortfall exist;
- A private expense benefit should there be no shortfall.

Off Road Bike GAP Insurance is designed for

The eric Off Road Bike GAP Insurance product has been designed for customers who seek to protect themselves against financial burden that may occur as a result of an incident involving fire or theft to their off road bike or limited cover for accidental damage.

This product is suitable for customers who:

- Are at least 18 years of age;
- Are the owner of the vehicle or able to provide proof of purchase;
- Require protection to their off road bike by a vehicle insurer, which includes cover for total loss;
- Meet the eric underwriting acceptance criteria;
- Use their off road bike in a manner accepted under the eric underwriting acceptance criteria;
- Off road bike meets the eric underwriting acceptance criteria;
- Have liability under the finance contract.

The finance contract must be for one of the following vehicles:

- An off road bike;
- All-Terrain Vehicle (ATV);
- Trail or Enduro bike;
- Quad bike;
- Fun or kid bike;
- Or any other vehicle approved under the eric underwriting guidelines.

For full details of coverage in this product, including conditions and exclusions applicable, customers, staff and distributors should read the PDS, which can be found at ericinsurance.com.au.

Customer's likely needs, objections and financial situation

eric Off Road Bike GAP Insurance is designed to be consistent with the likely objectives, needs and financial situation of customers who:

- Wish to protect themselves against financial loss or burden when the off road bike is deemed a total loss by a vehicle insurer and the off road bike is financed;
- A customer who is able to pay premiums in accordance with their chosen premium structure, excess, fees, and government charges;

Off Road Bike GAP Insurance is not designed for

There are also circumstances for which eric's Off Road Bike GAP Insurance product is not designed for.

This product is not suitable for customers who:

- Do not meet the eric underwriting acceptance criteria;
- Are not the owner of the off road bike;
- Wish to cover a potential finance shortfall in full relating to accidental damage;
- Require complete cover for accidental damage to their off road bike;
- Use their off road bike in a manner that has not been accepted by eric;
- Off road bike is not insured for total loss cover by a vehicle insurer;
- Whose vehicle is a make or model not accepted by eric.

Distribution of Off Road Bike GAP Insurance

This product may be distributed by any of the following channels:

- Through third-party distributors or authorised representatives

This product can only be issued to customers who are eligible for the product in accordance with application, acceptance and/or renewal criteria as outlined by eric.

All of these channels are monitored by eric, and the product can only be distributed by eric or distributors who have received training, received accreditation (if required), and have met compliance reviews.

The conditions set by the application and renewal processes make it likely that products are distributed to customers that are within the target market. These are supported by appropriate platform and system controls, training and scripting which have been designed to ensure that the product is distributed to those 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>We will also review this TMD if any event or circumstance (review trigger) that is identified or notified to us, 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 we 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

We will collect and may require our distributors 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.