

Motor Insurance

This document is the Target Market Determination (TMD) for Blue Zebra's Motor Insurance Products issued by the insurer, QBE Insurance (Australia) Limited. Blue Zebra Insurance (BZI) arranges and administers the product and acts under a binding authority for QBE.

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 situations 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.

PDS that this TMD applies to:

- Blue Zebra | Motor Insurance | Comprehensive Plus, Comprehensive, Third Party Property Damage

Motor Insurance

Who this product is designed for:

Motor Insurance is designed to meet a range of insurance needs for individuals and businesses who use their vehicles for private and/or business use. For the purposes of this product, cars include sedans, utilities, 4-wheel drives, vans, and people movers up to 3.5 tonne kerb weight, manufactured in the last 30 years, and registered for use on Australian roads. This insurance product aligns with the objectives, financial situations, and needs of consumers in the target market for the following reasons:

- Vehicle Ownership:** Recognising that car owners rely on their vehicles for various aspects of their daily lives, such as commuting, running errands, and family transportation and business activities, including those who have financed their vehicles and are required to maintain insurance coverage.
- Protection Against Liability:** Another risk is legal liability in case of accidents involving third parties, such as other vehicles or property. Such liability claims can result in substantial legal expenses and compensation payments. Additionally, it includes legal liability coverage for death or bodily injury to a third party when not covered under a statutory or compulsory insurance scheme.

This coverage aligns with the target market's objective of managing financial and legal risks associated with accidents.

The key attributes of motor insurance are:

Coverage Options: Motor Vehicle Insurance policies offer a range of coverage options that can be customised to suit the needs of customer:

1. Comprehensive Plus Motor Insurance

Our comprehensive coverage is specially designed to safeguard car owners from unexpected financial burdens that could arise due to accidents or damage to their vehicles. A Comprehensive policy covers the cost of repairs to your vehicle regardless of which party is responsible for the damage. It covers a wide range of events, including collisions, fires, theft, storms, floods, and more. Plus, it also includes expenses like towing and personal belongings lost during an incident. A Comprehensive policy also includes legal liability protection, ensuring coverage if your vehicle causes damage to someone else's property or supplementary bodily injury to another person.

Comprehensive Plus cover provides broader coverage than the other two levels of cover so may suit car owners with particular needs, such as those who have purchased a new vehicle ("lifetime new-for-old replacement following total loss" additional benefit) or those who are reliant on their car and may need an extended hire car if repairs were to take longer than anticipated ("unlimited hire car" additional benefit). Automatic windscreen excess waiver is also included as an additional benefit within the Comprehensive Plus cover.

Any of these events could result in significant vehicle car repair or replacement costs, so this cover is suitable for the intended target market.

Under Comprehensive Plus cover, there are also some optional covers for purchase:

- (a) **Choice of repairer** – is designed for car owners who would like the option to choose the repairer that repairs their car insured under the policy, if it is damaged.
- (b) **Roadside assistance** – is designed for car owners who also require services designed to get them and their vehicles mobile again by providing 24-hour 7-day Australia-wide assistance for situations where the car has broken down or is unable to be driven. For example, if the car has a flat tyre, a flat battery, has run out of fuel, or the keys have been locked inside it.

2. Comprehensive Coverage

Our comprehensive coverage is specially designed to safeguard car owners from unexpected financial burdens that could arise due to accidents or damage to their vehicles. A Comprehensive policy covers the cost of repairs to your vehicle regardless of which party is responsible for the damage. It covers a wide range of events, including collisions, fires, theft, storms, floods, and more. Plus, it also includes expenses like towing and personal belongings lost during an incident. A Comprehensive policy also includes legal liability protection, ensuring coverage if your vehicle causes damage to someone else's property or supplementary bodily injury to another person.

Any of these events could result in significant vehicle car repair or replacement costs, so this cover is suitable for the intended target market.

Under Comprehensive cover, there are also some optional covers for purchase:



- (a) **Windscreen excess waiver** – is designed for car owners who may be more susceptible to windscreen damage by offering one excess free claim per period of insurance where the damage relates only to the windscreen, or window, mirror or sunscreen glass.
- (b) **Hire car extension** – is designed for car owners who require access to a vehicle should their primary vehicle be damaged by providing a hire car for up to 14 days when the car insured under the policy is being repaired (or equivalent travel expenses if a hire car is not chosen or cannot be provided).
- (c) **Choice of repairer** – is designed for car owners who would like the option to choose the repairer that repairs their car insured under the policy, if it is damaged.
- (d) **Roadside assistance** – is designed for car owners who also require services designed to get them and their vehicles mobile again by providing 24-hour 7-day Australia-wide assistance for situations where the car has broken down or is unable to be driven. For example, if the car has a flat tyre, a flat battery, has run out of fuel, or the keys have been locked inside it.

3. Third Party Only Coverage

Our Third Party Property Damage Coverage is intended for car owners that don't anticipate theft or damage to their vehicles or have the means to repair or replace them if an accident occurs. This coverage primarily focuses on legal liability for damage to others' property, such as in a collision. It also includes coverage for up to \$5,000 for damage to your vehicle caused by an uninsured vehicle, provided the accident is the other driver's fault and they can be identified. Furthermore, Third Party Only Coverage is a practical choice for older vehicles where the excess (the amount you pay out of pocket before your insurance kicks in) could potentially exceed the vehicle's current value. In such cases, comprehensive coverage may not be financially viable, making Third Party Only Coverage a sensible and cost-effective solution. It ensures the car owner is protected from potential legal and financial consequences resulting from accidents involving third parties, without the need for disproportionate premiums.

This product is suitable for the target market as it is the most affordable option among the three levels of cover, it provides the minimal coverage to protect against legal liability for damage to another person's property resulting from the use of their vehicle. While it doesn't generally provide coverage for their own vehicle's damages, it protects them from potential legal and financial consequences resulting from a third-party accident.

The key eligibility criteria of motor insurance are:

Key Eligibility Criteria	This product is suitable for	This product is not suitable for
		
The type of Vehicle you own	Vehicles with a gross vehicle mass of no more than 3.5 tonne kerb weight, including but not limited to: <ul style="list-style-type: none"> ▪ sedans; ▪ utilities; ▪ 4-wheel drives; ▪ vans and people movers. 	Including but not limited to vehicles: <ul style="list-style-type: none"> ▪ over 3.5 tonnes kerb weight; ▪ over 30 years old, such as a classic car; ▪ that are in an unsafe or unroadworthy condition.
How you use your vehicle	The vehicle is used for private or business use.	The vehicle: <ul style="list-style-type: none"> ▪ will be driven by someone who does not have a valid licence to drive in Australia; ▪ is used for hire, fare or reward (including ridesharing such as Uber, DiDi etc.); ▪ will carry a number of passengers or carry or tow a load outside legal allowances or manufacturers specifications; ▪ will be used for racing, trials, contests, or other events.
The condition of your Vehicle	<ul style="list-style-type: none"> ▪ Good repair and condition; ▪ Meet the registration requirements in your state or territory. 	<ul style="list-style-type: none"> ▪ Not in good repair and condition; ▪ Does not meet registration requirements.

Meeting the needs and objectives of our target market

Whether you are seeking basic cover, a mid-level cover, or high-level coverage, we have tailored our product to accommodate your specific financial circumstances. This flexibility empowers you to choose the level of coverage that aligns with your budget and provides the peace of mind you deserve.

	CHOICE OF COVER		
	Comprehensive Plus	Comprehensive	Third Party Only
Level of cover	★★★	★★☆	★☆☆
Loss or damage or theft of your vehicle	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Legal liability – third party property damage	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Legal liability – supplementary bodily injury	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Additional Benefits			
Lifetime new-for-old replacement following total loss	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Hire vehicle following at fault accident	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Unlimited hire car	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Automatic windscreen excess waiver	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Uninsured motorist extension	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Optional covers			
Windscreen excess waiver	Automatic	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Hire car extension	Automatic	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Roadside assistance	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Choice of repairer	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Please refer to the PDS for full details and applicable terms and conditions, limits and exclusions.

Understanding your financial flexibility

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

Tailored Premiums: We offer the flexibility to customise your premiums based on different levels of cover and options. This way, you can find the perfect balance between protection and affordability. Whether you're looking for comprehensive coverage or a more budget-friendly option, we have choices that cater to your needs.

Excess Choices: We offer a range of excesses - the amount you pay towards a claim before your coverage kicks in - giving you greater control over your insurance costs. For example, selecting a higher excess will reduce your premium, however you will have to pay the higher excess in the event of a claim.

Payment Options: To make things even more convenient, you can choose to pay your premiums annually or in some cases in manageable instalments (to which a small loading may apply), allowing you to find a payment schedule that suits your financial planning.

Distribution conditions

Our Motor Insurance can only be purchased through an intermediary authorised by BZI. BZI has contractual arrangements with brokers (including their Authorised Representatives) 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. BZI has a range of supervision and monitoring procedures and provides training and support regarding the process to follow for getting quotes for this product and administering the policies once purchased.

When completing a quote, the BZI 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 vehicles, 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 our Motor Insurance products will only be distributed to consumers within the target market for this product because the brokers have knowledge of the policy terms and conditions, and processes are designed to identify instances where a policy is not suitable for the applicant.

Reporting

BZI (as distributor of this product and QBE'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 QBE.

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 QBE:

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"> a regulator; The General Insurance Code Governance Committee; or AFCA 	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

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