

Target Market Determination

Group Pilot Income Protection and Loss of Licence Insurance

October 2021

WHAT IS A TARGET MARKET DETERMINATION?

This Target Market Determination (TMD) is designed to provide customers, distributors and YourCover Pty Ltd staff with appropriate information to understand who this product has been designed for and our approach to determining that the product is likely to be consistent with the objectives, financial situations and needs of the customer and the distribution conditions.

In this document, the terms “we”, “us” or “our” refer to YourCover Pty Ltd, ABN 35 169 038 466, AFSL No. 461299 on behalf of Certain Underwriters at Lloyd’s.

YourCover Pty Ltd is an underwriting agency that is authorised by the Australian Securities and Investments Commission to issue, deal in and provide general advice on general insurance products. YourCover Pty Ltd issues this insurance product under a binding authority with Certain Underwriters at Lloyd’s.

GROUP PILOT INCOME PROTECTION AND LOSS OF LICENCE INSURANCE

This Group Pilot Income Protection and Loss of Licence Insurance provides insurance for Australian commercial aviation businesses and organisations that wish to purchase their pilot employees, contractors, and members with financial protection against being unable to work as a pilot due to injury or illness.

The product provides two types of benefits, Income Protection provides a monthly benefit if temporarily or partially disabled and Loss of Licence provides a capital lump sum benefit if a covered person suffers a permanent disability and is unlikely to work as a pilot again.

The covered persons are third party beneficiaries under the issued policy. We do not enter into the insurance with the covered persons directly.

This Target Market Determination (TMD) sets out the target market for:

- Group Pilot Income Protection and Loss of Licence Insurance GIPLLOL YCB 07.21

This is set out in the [Appendix](#) to this Statement.

DISTRIBUTION OF THIS PRODUCT

This product is issued by YourCover Pty Ltd AFSL 461299 on behalf of Certain Underwriters at Lloyd’s and designed to be distributed via:

- Aircrew Insurance website – www.aircrewinsurance.com.au
- Aircrew Insurance – telephone 1300 089 847
- Insurance brokers and their representatives that hold an Australian Financial Services Licence and have been approved by YourCover Pty Ltd

Only these entities are authorised to distribute this product as they understand the market this product has been designed for.

YourCover Pty Ltd will make risk-based decisions to determine its acceptance criteria about insurance cover that can be offered to you. Some of the key acceptance criteria relating to this target market determination may include:

- You and your covered persons residential status

- Your operation and covered persons flying activities
- Your covered persons age profile
- Your covered persons salary percentage and sums insured intended to be covered
- Your covered persons previous loss history
- Your benefit and waiting period requirements

REVIEWING THIS DOCUMENT

We will review this TMD within one year from the effective date to ensure it remains appropriate and in compliance with the objectives, financial situations and needs of the customer.

Furthermore, we will also review this TMD if any event or circumstances (called 'review triggers') occur that would reasonably suggest that the determination is no longer appropriate, such as:

- We make a material change to the cover provided by the product,
- A change in our acceptance criteria that impacts on the suitability of the product for the target market,
- A material change to the distribution of the product,
- The discovery of a relevant and material deficiency in the product's disclosure documentation,
- Systemic complaints and claims issues which indicate that the product is no longer suitable for the described target market,
- Material and relevant reductions in our key product suitability metrics such as:
 - Customer satisfaction,
 - Product acceptance,
 - Financial performance,
 - Benefits to customers,
 - Product value and affordability.

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

REPORTING

We record all complaints received about this product on a quarterly basis (Complaints Reporting Period). Our distributors are required to provide to us written details of any complaints about the product they have received during the Complaints Reporting Period within 10 business days of the end of the period.

Our distributors are also required to report to us if they become aware of significant dealing in this product which is not consistent with this TMD within 10 business days of becoming aware of such dealing.

If the complaints are systemic and indicate that this product is no longer suitable for the described target market, we will review and update the TMD within the timeframe indicated above.

RECORD KEEPING

We will maintain records of the reasonable steps that we and our authorised distributors have taken to ensure that this product is sold in a manner consistent with this TMD.

We will also prepare and maintain complete and accurate records of our decisions, and the reasons for those decisions, in relation to:

- All target market determinations for this product,
- Identifying and tracking review triggers,
- Setting review periods, and
- Any other matters documented in this TMD.

APPENDIX

Group Pilot Income Protection and Loss of Licence Insurance Suitability

This Group Pilot Income Protection and Loss of Licence Insurance is designed for Australian commercial aviation businesses and organisations that wish to provide their pilot employees, contractors, and members with financial protection against being unable to work in their own occupation as a pilot due to injury or illness.

The product provides two types of benefits, Income Protection provides a monthly benefit, irrespective of the status of a covered persons licence/medical certificate, if temporarily or partially disabled. Loss of licence provides a capital lump sum benefit, in addition to monthly benefits, if a covered person suffers a permanent disability and unlikely to work as a pilot again.

THIS PRODUCT IS SUITABLE FOR:		THIS PRODUCT IS NOT SUITABLE FOR:	
✓	Australian businesses and organisations.	✗	A foreign business or organization not registered in Australia.
✓	Businesses and organisations that employ commercial aviation pilots.	✗	Businesses and organisations that don't employ the services of commercial aviation pilots.
✓	Businesses and organisations with 2 or more employees/covered persons.	✗	Business or organisations with less than 2 employees/covered persons.
✓	Covered persons aged 59 years or less.	✗	Covered persons aged 60 years or older at inception date of insurance.
✓	Covered persons who do not have any pre-existing medical conditions or whose conditions fall within our underwriting guidelines.	✗	Covered persons who have pre-existing medical conditions which do not meet our underwriting criteria.

A summary of the key benefits and policy exclusions is detailed below. To review the complete schedule of benefits and exclusions, please refer to the Product Disclosure Statement (PDS) and Policy Wording.

KEY BENEFITS (WHAT IS INSURED)

This product provides two types of key benefits:

Income Protection (monthly disability benefit)

- ✓ Total disability benefit (injury or illness) up to a percentage of your income, payable monthly.
- ✓ Partial disability benefit (injury or illness) up to a percentage of your income, payable monthly.
- ✓ Additional income protection benefits:-
 - Recurrent disability benefit;
 - Increasing claim benefit;
 - Rehabilitation expenses benefit;
 - Accelerated benefit option; and
 - Cover whilst on leave without pay.

Loss of Licence (capital lump sum benefit)

- ✓ Injury or illness up to 100% of the sum insured.

EXCLUSIONS (WHAT IS NOT INSURED)

This product is not suitable for businesses or organisations seeking coverage for income protection or loss of licence arising from these policy exclusions.



- x** Death, suicide or intentional self-inflicted injury.
- x** Pre-existing conditions.
- x** Mental health conditions, if not being treated by a qualified psychiatrist.
- x** Pregnancy or childbirth unless due to complications.
- x** Elective cosmetic surgery.
- x** Illness if a covered person is aged 60 or over at the start of the policy, unless agreed by us.
- x** Undertaking activities prohibited under your contract of employment.
- x** Criminal acts by a covered person.
- x** War or terrorism.
- x** Service in the armed forces.
- x** Any claim caused by or resulting from COVID-19.
- x** Loss of licence or medical certificate for any other reason specifically excluded as advised by us.

LIMITATIONS (RESTRICTIONS ON COVER)



- !** We will not pay income protection benefits for the waiting periods stated in the PDS.
- !** Income protection monthly benefits are payable up to a maximum of 24 months from ages 18 to age 59 or 12 months from age 60.
- !** Income protection monthly benefits will be reduced by all other income you are entitled to.
- !** Coverage is limited to bodily injury only from age 60, unless otherwise agreed by us.