

## Business Insurance

The purpose of this Target Market Determination (TMD) is to describe:

- the type of customer BZI Business Insurance is designed for;
- how it is distributed;
- when this document will be reviewed; and
- what information is required to be provided to help maintain the accuracy of this document.

The product is issued by Youi Pty Ltd (Youi). Blue Zebra Insurance (BZI) arranges and administers the product, and acts under a binding authority for Youi.

This TMD is not a Product Disclosure Statement (PDS) and is not a summary of the product terms and conditions. Any advice provided in this document is general advice only. It has been prepared without taking into account any person's particular objectives, financial situations or needs.

More information about this product is contained in the 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.

### Who this product is designed for

BZI Business Insurance is designed for small and medium sized businesses whose likely objectives, financial situation and needs are to guard against the financial burden that may result from an incident that causes material damage to their operation or creates a legal liability. For the purposes of this product, small and medium businesses employ less than 200 people.

For business owners within the target market, there are a number of Covers that can be chosen depending on the business owners' objectives, financial situation and needs as outlined below.

#### 1) Business Liability

The Business Liability section is designed for business owners whose objectives, financial situation or needs are to guard against the financial burden that may result from liability to pay compensation for personal injury or property damage to another person as a result of negligent business activities.

The key attributes include coverage for legal liability to pay compensation for personal injury or property damage that occurs in connection with the business or its products, as well as advertising liability caused by an advertisement connected to the business's products or services. In addition to the compensation involved with legal liability, there is cover for specific costs involved in the defence of a claim from a third party and representation costs at official coronial investigations and other selected expenses related to the claim.

This product is suitable for the target market because it limits the businesses financial loss from legal liability, which can be a significant cost.

#### 2) Property Protection

The Property Protection section is designed for business owners whose objectives, financial situation or needs are to guard against the financial burden that may result from loss or damage to their property located at the business premises. This property may include the building, and contents such as fixtures, stock, machinery and records owned by the business and where the business operates from.

The key attributes of the Property Protection section are cover for loss or damage to the physical assets such as buildings, contents, stock, glass and any other items owned and nominated by the business as shown in the policy schedule. A range of events are covered including fire, storm, flood and accidental damage.

This product is suitable for the target market because it limits their financial loss from loss of, or damage to the business property.

#### 3) Business Interruption

The Business Interruption section is designed for business owners whose objectives, financial situation or needs are to guard against a loss of profit that may result from an event that interrupts or interferes with the business's normal operation.

The key attribute of the Business Interruption section is cover for loss of insurable gross profit resulting from the business interruption. Insured damage can occur when both the property that is damaged and the cause of the damage is covered by the policy under the Property Protection, Crime or Portable Property sections, or another insurance policy that insures the businesses property.

Optional cover is available for the increased cost of operating after a business interruption event, and professional fees to assist in the preparation of the claim can also be selected.

This product is suitable for the target market because it limits the financial loss suffered when the business cannot operate due to an incident covered by the policy.

#### **4) Crime**

The Crime section of the BZI Business Insurance product provides three optional covers designed for business owners whose objectives, financial situation or needs are to guard against the financial burden that may result from a criminal event. The optional covers are Theft, Money and Employee Fraud.

The key attribute of the Theft option is cover for property that is lost or damaged as a result of a theft at the business premises with visible forced entry, a hold up or assault, or by a person hiding on the premises during operating hours until the premises are locked up.

The key attribute of the Money option is cover for loss, damage or destruction of your money, including theft of money at the premises, in transit to or from the premises, at the private residence of an authorised person, from a safe, strongroom or banking facility.

The key attribute of the Employee Fraud section is cover for employee fraud resulting in loss of property or money where the responsible employee is identified, and the dishonest conduct can be satisfactorily identified and discovered.

This product is suitable for the target market because it limits the businesses financial loss from the theft of property, loss or damage to money or employee fraud.

#### **5) Portable Property**

The Portable Property section is designed for business owners whose objectives, financial situation or needs are to guard against the financial burden that may result from loss or damage anywhere in the world to portable items used in the business such as tools of trade, stock samples and electronic equipment.

The key attribute is cover for specified items up to their listed value, and unspecified contents or items up to \$2,500 per item, when they are accidentally physically damaged, destroyed or lost.

This product is suitable for the target market because it limits the financial loss from loss of, or accidental damage to portable property.

#### **6) Equipment Breakdown**

The Equipment Breakdown section is designed for business owners whose objectives, financial situation or needs are to guard against the financial burden from insured equipment that breaks down at the business premises.

The key attribute of Equipment Breakdown is cover for the costs incurred to repair or replace the insured equipment that breaks down at the business premises. Equipment includes items such as machinery, computers, and medical equipment.

Optional extensions of cover include Deterioration of stored goods which provides cover for deterioration or putrefaction of stored goods in cold storage at the premises as a result of the breakdown of insured equipment, the devices controlling the equipment or failure of the power supply. Cover also includes contamination of stored goods caused by accidental escape of refrigerant gas or liquid in the refrigerated area of the insured equipment. This option is designed for businesses who store food and other degradable goods in cold storage.

This product is suitable for the target market because it limits the financial loss for the repair or reinstatement costs for specified equipment up to the value nominated by the business owner or other equipment for the value nominated by the business owner for blanket cover.

Cover under this product can also be extended to meet further specific needs of businesses, such as taxation, audit, fines and penalties cover and extensions for specific trade liability.

### Who this product is not suitable for

BZI Business Insurance is not suitable for businesses that:

- Carry a significant risk of causing catastrophic injuries to other people or major damage to another person's property, such that a claim may exceed \$20,000,000;
- Are involved in operations that pose a risk of asbestos or pollutant injuries or damage;
- Own more than \$10,000,000 of business property at any one location;
- Have a building or premises that are unoccupied for more than ninety days; or
- Require protection against damage caused by wear, tear and gradual deterioration or a lack of service or repair of the business premises or any business items.

In addition, if the business:

- Owns property outside Australia or operates their business within the US, additional insurances may be required.
- Is likely to be materially impacted by a disease declared to be a listed human disease under the Biosecurity Act 2015 (Cth), the business should consider if cover under the Business Interruption is sufficient.
- Operates from a property that is primarily used for private domestic purposes, the building may need to be insured through a different insurance product.
- Stores property in an open-sided structure, yard or other open spaces additional insurances may be required.
- Owns mobile plant, motorised vehicles, watercraft, aerial devices or firearms additional insurances may be required.

### Distribution conditions

BZI Business 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 business, 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 BZI Business Insurance 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 Youi's agent) collects information and prepares reports regarding sales activity, 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

Youi 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 and policy sales 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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