

Target Market Determination (TMD)

Auto Cover

About this document

This Target Market Determination (**TMD**) applies to the Auto Cover (the **Auto Cover Warranty** or **product**). This TMD identifies the target market that the product has been designed for. This document does not provide any advice, nor does it take into consideration a customer’s needs, goals or financial situation. This TMD does not represent or form part of the terms and conditions of the Auto Cover Warranty. You must refer to the [Auto Cover Warranty PDS](#) for the relevant terms, conditions and exclusions of the Auto Cover Warranty while considering this product.

Issuer

The Auto Cover Warranty is issued by Integrity Car Care Pty Ltd (**Integrity**), ABN 58 056 621 893, AFSL 247069 and distributed by its authorised representatives on behalf of Integrity.

Effective Date

This TMD will apply to all Auto Cover Warranties issued by Integrity on or after 7th March 2025.

Product description and key attributes

The Auto Cover Warranty is designed for customers whose likely objectives, financial situation and needs are consistent with the key attributes of the product and the eligibility criteria which are described below.

Product description

The Auto Cover Warranty is a discretionary risk product designed to:

- Assist with repair costs for breakdown or failure to the components and parts of a vehicle that would have been originally covered by the manufacturer’s warranty up to the maximum claim limit; and
- Provide additional benefits including accommodation, car hire, consequential damage, EGR/DPF regeneration and quality guarantee up to the maximum claim limit.

Key attributes of the product

Key Feature	Description
Discretionary risk protection	The Auto Cover Warranty is not an insurance product, it is a discretionary risk product. The Auto Cover Warranty is not the same as an insurance policy because a customer does not have a right to be indemnified for the customer’s loss. Rather, a customer has a right to have their claim for discretionary assistance considered by Integrity and the customer is entitled to know the outcome of that decision.
Eligibility criteria and vehicle qualification criteria	Please refer to the eligibility criteria listed below under the heading ‘Who is this product for?’ Furthermore, a customer’s vehicle at the time of purchase must either:

	- not exceed the kilometres and age specified for each level of cover; or - be otherwise approved by Integrity in its absolute discretion having regard to one or more factors including (but not limited to) the vehicle service record, claims record, vehicle age, vehicle mileage and / or vehicle condition. See the Auto Cover Warranty PDS for more detail.
Protection coverage and claim limits	The Auto Cover Warranty covers the repair and replacement costs for a vehicle's components and parts that were originally covered by the manufacturer's warranty up to the maximum claim limits. See the Auto Cover Warranty PDS for the maximum claim limits that apply to each level of cover.
Additional benefits	A customer is entitled to certain additional benefits as described in the Auto Cover Warranty PDS if the customer's claim is approved by Integrity and other criteria are met. The benefits include accommodation, car hire, consequential damage, EGR/DPF regeneration and quality guarantee up to the maximum claim limit.
Excluded parts and events	Integrity will not pay any contribution of a claim in relation to certain excluded parts or events. A full list of excluded parts and events are detailed in the Auto Cover Warranty PDS and you should refer to this list before purchasing this product.

Please refer to the Auto Cover Warranty PDS for the full details of the Auto Cover Warranty's coverage, terms, conditions and exclusions.

Who is the product suitable for?

- A person currently living in Australia; and
- The person who owns or is buying a new or used vehicle; and
- The person's vehicle meets the roadworthy and registration requirements of the relevant state or territory; and
- The person's vehicle meets the qualification criteria i.e. does not exceed the age or kms dependent on the warranty level (see the vehicle qualification criteria listed above under the heading '*Key attributes of the product*'); and
- The person is prepared to service the vehicle in accordance with the vehicle manufacturer's directions and recommendations; and
- A person who answers 'yes' to all qualifying questions set out below.

Qualifying questions

- Do you understand that you need to have your vehicle/asset serviced to maintain your warranty, within the requirements detailed in the terms and conditions?
- Do you understand that this extended warranty has some specific exclusions listed in the terms and conditions?
- Are you able to contribute to the diagnostic costs and repair cost of the vehicle/asset if the failure is excluded under the terms and conditions or if the claim is declined on a discretionary basis?
- Are you able to contribute to the repair cost of the vehicle/asset if the total cost exceeds the claim limit or amount approved or if the claim is declined on a discretionary basis?

- Do you understand that you do not have to buy an extended warranty and there may be consumer guarantees under the Australian Consumer Law that give you rights to have certain parts and components of your vehicle/asset repaired or replaced?
- Do you know that if you finance the cost of your vehicle/asset and you select this extended warranty, then the cost of the warranty will also be financed and the cost of the warranty includes an interest charge?

Who is the product not suitable for?

- A person currently living outside of Australia; or
- A person who does not own or is not buying a new or used vehicle; or
- A person who would prefer to only rely on the consumer guarantees under the Australian Consumer Law or require a warranty that is an insurance product as opposed to a discretionary risk product; or
- A person’s vehicle does not meet the roadworthy and registration requirements of the relevant state or territory; or
- A person’s vehicle does not meet the qualification criteria i.e. it exceeds the age or kms dependent on the warranty level (see the vehicle qualification criteria listed above under the heading ‘Key attributes of the product’); or
- A person who is not willing to service and maintain their vehicle in accordance with the vehicle manufacturer’s directions and recommendations; or
- A person who answers “no” to one or more of the qualifying questions set out above.

The likely objectives, financial situation and needs of customers

The Auto Cover Warranty is designed for customers whose likely objectives, financial situation and needs are described below.

Objectives	Customers: • Who require an additional warranty after the expiration of any manufacturer’s warranty or the dealer’s statutory warranty that may assist with the costs of repair and replacement for parts or components of their vehicle.
Financial situation	Customers who: • Own or are buying a new or used vehicle; and • Can afford the roadworthy and registration requirements of the relevant state or territory for their vehicle for the relevant time period of the Auto Cover Warranty; and • Can afford to service their vehicle in accordance with the vehicle manufacturer’s directions and recommendations; and • Can afford to pay the cost of purchasing the Auto Cover Warranty (including finance repayments where the vehicle purchase is financed); and • Understand that all claims may not be approved and you may need to fund any cost for repair or replacement; and • Are able to pay upfront any diagnostic costs incurred to ascertain whether a failure is covered under the Auto Cover Warranty.

Needs	Customers who: • Who want certainty in relation to who they can deal with to have a warranty claim considered and want to deal with an ASIC regulated third party warranty provider; and • Who are seeking the additional benefits as described above including accommodation, car hire, consequential damage, EGR/DPF regeneration and quality guarantee up to the maximum claim limit.
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The Auto Cover Warranty is likely to be consistent with the likely objectives, financial situation and needs of customers in the target market because:

- It enables claims under the product terms for the cost of repair or replacement of certain components of a customer’s vehicle and the additional benefits up to the maximum claim limit for which the target market is seeking; and
- It is designed to provide the key product features described above for persons who meet the eligibility criteria.

How should the product be distributed?

Distribution of the Auto Cover Warranty is subject to the following conditions and restrictions:

- The channels this product can be distributed from are:
 - Motor vehicle dealer
 - Finance broker
 - Vehicle service centre
 - Reseller
- This product can only be distributed by people who have been accredited as authorised representatives of Integrity, have completed the relevant training including in relation to understanding who this product is designed for and how to identify people inside and outside the target market, and by people who have passed compliance reviews
- This product can only be issued when the warranty submission has been completed online by an Integrity accredited authorised representative, and the customer has answered yes to all of the qualifying questions set out above and checked the online form before submission.

The above conditions, restrictions and system controls make it likely that the product is distributed to those within the target market.

When will the TMD be reviewed?

Integrity will review this TMD at the earlier of either:

- Within 10 business days of Integrity determining that an event having occurred that is a review trigger that would deem the current TMD no longer appropriate and within 20 business days of any other review trigger; or
- Every 2 years (of the effective date or last review).

Are there other review triggers?

Events or circumstances may arise that suggest a review should take place earlier than the review periods set out in section above. This is because the TMD could no longer be appropriate or the product might no longer be consistent with the likely objectives, financial situation and needs of the people in the target market. These events and circumstances are called review triggers. Below is a list of review triggers for this TMD:

- A significant change in the terms, eligibility criteria or scope of the product;
- An identification of a systematic issue;
- A significant change to the distribution channels;
- Integrity have determined that a significant dealing outside the target market has occurred;
- We receive a significant number of complaints or feedback relating to the appropriateness of this product for the target market;
- We may receive a significant number of claims, which may suggest that the product is not performing appropriately for the target market;
- We receive a significant number of cancellation requests;
- We discover a material defect in the PDS which reasonably suggests that the TMD is no longer appropriate;
- We become aware of external events such as a change in law, or regulatory guidance, which may materially affect the terms of the product or distribution, or regulatory feedback or concerns raised or media attention, that materially affects the design or distribution of the product;
- We become aware of systemic issues across the product lifecycle (such as sales, claims and complaints) through a distributor or customer who purchased the product, and we consider that this reasonably suggests to us the TMD is no longer appropriate;
- We receive feedback, orders or directions from the Australian Securities and Investments Commission (**ASIC**) or the Australian Financial Complaints Authority (**AFCA**) that suggests this TMD is no longer appropriate;
- We become reasonably aware that the distribution conditions are no longer appropriate; or
- We detect significant changes in other metrics relating to the suitability of the product for the target market, including (but not limited to) claims number, claim amounts paid, claim ratios, number of warranties sold, warranty lapse and cancellation rates, average claims duration, claims denied and withdrawn and the nature and number of complaints.

In determining whether a significant dealing has occurred that is outside of the target market, the factors Integrity may take into account include (but are not limited to):

- The percentage of risk associated with the number of customers who obtain the product and are not within the target market including the proportion of customers excluded from acquiring the product;
- The nature and extent of the inconsistency of distribution with the TMD;
- The proportion of gross income obtained from the product in respect of customers who are not in the target market;
- The time period in which these acquisitions outside the target market occurred; and
- The monetary loss incurred to those who are not in the target market.

Reporting and Monitoring

Integrity’s distributors will report to Integrity the following information in relation to the Auto Cover Warranty:

Information	Reporting Period
The number and the substance of complaints received, and general feedback relating to the Auto Cover Warranty and its performance	As soon as practicable but at least quarterly
When a significant dealing outside the target market has been confirmed	As soon as practicable but within 10 business days