



FVA Summary and Target Market Statement

Contingency

The purpose of this document is to explain our FVA findings, the identified target market and the expected distribution strategy for each insurance product manufactured by AXA XL. Specifically, it provides information on a product category level about the main features associated with each product and clarifies who our products are designed for and who they are not appropriate for. This target market statement also explains the way our products should be distributed and provides information around the complexity of our products and how to ensure that a product provides fair value to our customers as intended.

This document is for information purposes only and should not be used for any marketing or promotional use.



Product type

There are three different Contingency products:

- **Contingency Cancellation and Abandonment:** Provides financial protection if an event is cancelled, abandoned, postponed, interrupted, curtailed, or relocated due to an event beyond the insured's control, such as adverse weather or a venue cancellation.
- **Contingency Non-Appearance:** Covers losses if a key person (like a performer or speaker) is unable to appear due to a covered peril.
- **Prize Indemnity /Miscellaneous Contingency:** Prize Indemnity and other miscellaneous coverages to protect against financial losses from unforeseen events.

All three products are designed for commercial entities with a financial interest in an event, artist/band, sports person or team.



What customer need is met by this product?

The policies provide the insured with:

- **Financial Protection:** mitigates financial losses from cancellations, postponements, or disruptions.
- **Risk Management:** to transfer specific event-related risks to an insurer.
- **Business Continuity:** to ensure the event's financial viability despite unforeseen issues.

Overall, these policies indemnify the Insured for their ascertained net loss should the Insured event(s) be necessarily cancelled, abandoned, postponed, interrupted, curtailed or relocated.



Who is the product designed for?

The policies are designed for entities hosting or promoting large-scale, high-profile, or complex events where financial risk due to unforeseen disruptions or non-appearance needs to be managed, such as:

- **Event Organisers and Planners:** For concerts, festivals, conferences, sporting events.
- **Promoters and Producers:** For live entertainment, theatrical productions, and promotional events.
- **Sports Organizations and Clubs:** For tournaments, matches, and sporting events vulnerable to cancellations or no-shows.
- **Corporate Clients:** For product launches, corporate events, and exhibitions requiring risk mitigation.
- **Prize Givers and Marketers:** For promotional contests involving prize indemnity coverage.
- **Trade Associations and Industry Bodies:** Organising events or awards ceremonies.
- **Government and Public Sector:** For public events, national celebrations, or large-scale gatherings.



Who is the product not appropriate for?

Entities requiring cover for:

- Any contractual dispute or breach.
- Any known circumstance that is likely to lead to postponement or cancellation at the time of application.
- Any reduction in attendance that is not specifically attributable to the necessary cancellation, abandonment, postponement, interruption, curtailment or relocation of the event.
- Lack of or inadequate financial or other support or withdrawal of such support by any party.
- Any communicable disease or fear or threat of a communicable disease.



Target market specific characteristics, including, customer vulnerability

Target markets are commercial entities with a financial interest in an event, artist/ band, sports person or team. Due to the impact of rising inflation and rising interest rates, entities may be under financial strain and may not be able to afford premiums on an ongoing basis.

Customers who may be experiencing characteristics of vulnerability due to either personal circumstances, ill health, financial issues, life events such as bereavement, and/or external factors such as economic instability may require adjustments and flexibility to benefit from the policy. All customers are at risk of becoming vulnerable at any time. AXA XL are committed to supporting additional needs from customers. If additional support is required or a customer has been identified as vulnerable, please contact us by visiting: [AXA XL's Vulnerable Customers Guide & Contact Support](#)



Key value elements and exclusions

Exclusions (See Policy Wordings for full exclusion list)

- This Contract of Insurance does not cover any loss directly or indirectly arising out of, contributed to by, or resulting from:
- death, accidental bodily injury or illness of any person other than any Insured person.
- the non-appearance at the Insured Event(s) of any person, other than an Insured person.
- any Pre-Existing Condition specifically agreed by Underwriters by endorsement to this Contract of Insurance where any medically prescribed regime or medical advice was not followed by the Insured person.





Key value elements and exclusions (continued)

- Expenses and Gross Revenue which have not been declared to and agreed by the Underwriters.
- The Insured's or any Insured person's lack of care, diligence or prudent behavior, the result of which would increase the risk, and/or likelihood of a loss, hereunder.
- Any contractual dispute or breach by the Insured or any Insured person or participant.
- Changes to the Insured Event(s) without the prior written approval of the Underwriters.
- Any work being carried out which renders the Venue or its facilities unusable in whole or in part, unless such work is unknown to the Insured at the inception of this Contract of Insurance or at the time of making the booking whichever is the later.
- Actual or threatened war, invasion, act of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power.
- Any Civil Commotion or the fear or threat (whether actual or perceived) of any Civil Commotion.
- Any action taken in controlling, preventing, suppressing or in any way relating to any Civil Commotion or fear thereof.
- Seizure or destruction under quarantine or customs regulations, confiscation, nationalization or requisition or destruction of or damage to property including the Venue, by or under the order of any government or public or local authority, or the handling of contraband or the engaging in illicit trade or transportation.
- Actual or threatened malicious use of pathogenic or poisonous biological or chemical materials.
- Communicable disease or fear or threat thereof.



How should this product be distributed?

The product is distributed via Delegated Arrangements and Open Market.



What should distributors do to ensure the product provides fair value to the end customer?

To ensure the customer receives fair value for this product, care must be taken to ensure no duplicate cover exists or is caused by an add-on where that cover is already provided by the policy. Commission, fees, or charges passed onto the customer must be proportionate to the service provided and provide fair value.



How can the product be sold? Can it be sold without advice?

We would suggest that this product can be sold face to face or via telephone.

This product can be sold with or without advice depending on your preference and in line with FCA regulations.



Additional Product Literature

This document is intended to provide an indicative summary of the target market for this product and is not a summary of coverage. Please refer to separate policy documentation for full details of the coverage provided by the product.





How is value assessed?

AXA XL has an established product governance process to oversee the design, approval, and review of all our products in line with the requirements of the FCA's Product Intervention and Product Governance Sourcebook ('PROD').

New product developments and changes to existing products are taken through a formal product approval process which is designed to:

- Identify the target market and its needs.
- Consider and review the product's performance metrics, product complexities, sales, and service risks.
- Consider and review the policy fees, charges, remuneration in comparison to benefits offered.
- Review policy wordings and customer facing documentation to ensure it is clear, fair, and not misleading.
- Consider the needs of any vulnerable customers; and
- Monitor post-sales performance.

Once a new or amended product is introduced to the market, AXA XL will regularly review the product to see if any changes are needed and to make sure it remains suitable for customers in the identified target market.

If, as a distributor of AXA XL products, you consider one of our products may be failing to meet customers' needs or is potentially unclear you can help us by providing feedback through your usual point of contact at AXA XL.



Key Findings - 2025 Fair Value Assessment

AXA XL has conducted a comprehensive review of this product against specified metrics, considering whether the insurance product remains consistent with the needs of the identified target market and whether the intended distribution strategy remains appropriate.

The review has determined that this product continues to provide fair value in compliance with the FCA's Product Intervention and Product Governance Sourcebook (PROD). This product will therefore be monitored as per BAU and reviewed again in 12 months as per PROD 4.2.34 requirement to undertake regular product reviews.

In reaching the conclusion that this product continues to provide fair value, AXA XL has assessed various metrics including:

- Claims Repudiation Rate
- Claims Complaints as a % of Total Claims
- Policy Cancellation Frequency
- Gross Loss Ratio
- Total Acquisition Ratio

Our approach to this product review has utilised data and MI readily available to AXA XL to conduct a quantitative analysis. Additionally, we have also performed a qualitative review.

As a distributor, you may wish to consider metrics you hold in conjunction with this assessment. On conducting your own review, where issues are identified that are not identified within this review, please notify us so we can consider the impact on the product in our capacity as carrier.





Know You Can

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