



FVA Summary and Target Market Statement

General Liability

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

This product is designed for business customers headquartered outside of the USA who seek protection against legal liabilities to third parties for injury or damage caused during the course of their business operations or by products they supply. The policy helps manage financial risk associated with potential lawsuits, compensation claims, and related defence costs.



Who is the product designed for?

The product is suitable for commercial entities (small, medium and large enterprises) across multiple sectors, including manufacturing retail, hospitality and professional services. It is not appropriate for consumers as defined by the FCA (i.e., individuals acting outside their trade, business, or profession).



What customer need is met by this product?

The customer is provided with insurance protection for unforeseen legal liabilities to pay damages to third parties for injury or damage in the conduct of their business or in connection with any product supplied by them.



Who is the product not appropriate for?

This product is not suitable for private individuals or microbusinesses with limited exposure to third party risks. It is unsuitable for entities domiciled the United States due to jurisdictional exclusions. The product does not cater to customers seeking employers' liability, professional indemnity or cyber insurance as standalone covers.



Target market specific characteristics, including, customer vulnerability

Due to the impact of rising inflation and rising interest rates, customers 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

Public Liability:

It provides an indemnity for legal liability to pay damages for injury to third parties or damage to third party property.

Product Liability:

It provides an indemnity for legal liability to pay damages to third parties arising out of injury and/or damage in connection with any product supplied by the insured.

Typical extensions to coverage under these products may include:

- Cross Liabilities
- General Data Protection Regulation
- Sudden and accidental pollution
- Advertising injury





Key value elements and exclusions (continued)

Typical exclusions to coverage may comprise of:

- Employer's Liability
- Liability arising out of the use or operation of automobiles, aircraft, watercraft, or offshore installations
- Cyber liability
- Liability arising out of war and terrorism
- Radioactive contamination / nuclear risks
- Asbestos
- Deliberate failure to prevent injury or damage.
- Fines, penalties, and punitive damages
- The recall of any product
- Any costs incurred in the repair, reconditioning or replacement of any allegedly defective product or part thereof

Please refer to policy documentation for full details.



How should this product be distributed?

These products are typically distributed via coverholders and broker lineslips.



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. Distributors to have clear practices in place to ensure the prevention of any sales outside the intended target market.



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

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

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