



XL Insurance
Reinsurance

FVA Summary and Target Market Statement

Individual Life/Key Person

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 is an individual life/key person insurance. This life insurance product can either be:

1. purchased by an individual, or
2. by a commercial enterprise covering one or a small number of individual lives, or
3. by a third party on the life of another person for an insurable interest permitted by law



Who is the product designed for?

An individual purchasing a policy to protect their personal interests. Typically, policies written by the Syndicate are for individuals seeking personal interest protection, often those with complex medical histories or hazardous jobs.

A commercial enterprise purchasing for Business Protection reasons such as a Key Person, Business Loan Protection, Buy-Sell Agreement: cover purchased to protect a business /partnership with the company being the beneficiary of the policy.



What customer need is met by this product?

To provide a financial benefit to estate, dependents and commercial enterprises upon death of the insured person during the period of the policy.



Who is the product not appropriate for?

This product is not suitable for employees who do not have critical roles, temporary or Contract workers, entry-level or easily replaceable staff, businesses with no dependency on specific individuals and anyone requiring financial protection for a period greater than our maximum policy term of 5 years.



Target market specific characteristics, including, customer vulnerability

This cover is suitable for individuals , who wish to protect their personal financial interests, or for businesses who want to insure one or a few key individuals for purposes such as Key Person Protection, Business Loan Protection or Buy-Sell Agreements, with the company as the beneficiary.

Insureds under the product may experience 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 to benefit from the policy.

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

Pay the Sum Insured to the Grantee as shown in the Schedule on the death of the person(s) whose life is insured during the Period of Insurance.

- Single Life - only one (1) Sum Insured will be payable under this Policy
- Joint Life (First to Die) - We will pay the Sum Insured on the first death of either person(s) whose life is insured during the Period of Insurance.
- Joint Life (Second to Die) – We will pay the Sum Insured on the second death of either person(s) whose life is insured during the Period of Insurance.
- Multiple Life - We will pay the Sum Insured as specified on the death of each person(s) whose life is insured during the Period of Insurance.





Key value elements and exclusions (continued)

This policy does not cover death resulting directly or indirectly from:

- Any act of terrorism
- HIV/AIDS
- Alcohol and Drugs
- Criminal or Intentional Actions
- Nuclear reaction, radiation or radioactive contamination
- War
- Accident (for death natural causes only)
- Self-harm



How should this product be distributed?

This product is written by Syndicate 3002, utilising the Lloyd's of London framework and licensing with policies placed on the Open Market or through an appointed Coverholder. Through the Open Market, the product is also distributed by Lineslips and via direct business from AXA XL.



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

To ensure the customer receives fair value for these products, care must be taken to ensure that the amount of cover purchased is appropriate and any duplicate cover is complementary to the product. Commission, fees, or charges passed onto the customer must be proportionate to the service provided and provide fair value. Distributors are 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 these products can be sold face to face or via telephone. These 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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