



FVA Summary and Target Market Statement

# Professional Liability (Office Package)

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 a commercial lines professional liability office package product suitable for small and medium size businesses in the UK, it covers: Accountants' package, Information technology package and Miscellaneous industries package.



## What customer need is met by this product?

Professional Liability (Office Package) offers cover for civil liability arising from the customer's activities.

Angel's multi-line office package products allow the customer to combine a Professional Liability policy with Directors and Officers, Public Liability, Employers' Liability, Office Contents and All Risks and Business Interruption all on one policy with single keying of the customer's details.

Please note construction and Architects PI products are not sold as part of a package.



## Does the product include optional covers?

Free guidance, legal advice and risk management support are also provided to customers as part of the policy. Public Liability, Employers liability, Material Damage, Business Interruption and Directors & Officers Liability are also optional.



## Who is the product designed for?

This product is designed for small and medium size businesses that provide professional advice and services:

1. Accountants' package - This policy is a combined multiline policy specifically designed for small accounting firms.
2. Information technology package - This is specially designed for IT companies.
3. Miscellaneous industry package - This multiline office package is specially designed for miscellaneous industries. This insurance offers work undertaken worldwide (excluding USA and Canada) where legal or regulatory proceedings are brought in the United Kingdom.



## Who is the product not appropriate for?

The product is not suitable for large firms, or firms outside the UK, individual sole traders, limited or unlimited partnerships, high-risk professions, or businesses with complex insurance needs that require bespoke cover.

It is not intended for companies with high turnover, international operations, or those needing specialist underwriting due to unique exposures. It also may not be appropriate for customers who require higher limits of indemnity, operate in regulated sectors with strict compliance requirements, or have a history of frequent or severe claims.



## Target market specific characteristics, including, customer vulnerability

Customers under financial strain 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

The product covers the following:

- Professional Liability
- Public Liability
- Employers' liability
- Material Damage
- Business Interruption
- Directors & Officers Liability

### Exclusions

The policy wording contains the following exclusions:

- Asbestos
- Changes in or failure to provide information
- Known claims or circumstances
- Punitive damages
- Radioactive contamination
- Terrorism
- Nuclear
- War

There are other general, and section specific exclusions contained within the policy wording, please see the wording for more information.





## How should this product be distributed?

This product is distributed via the online quote and buy platform via 1,000 specialist brokers.



## 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's regulations.



## Additional Product Literature

This document is to be read in conjunction with the appropriate policy wording.



## 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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