



FVA Summary and Target Market Statement

# Pure Equestrian

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

A personal lines general insurance product designed to cover the mortality (death or humane destruction) and veterinary fees of horses and ponies. The product is aimed at UK based owners seeking protection against financial impact of losing a horse or incurring high veterinary costs.



## What customer need is met by this product?

This product provides cover for risks located in the UK, who require mortality and veterinary fees insurance. Both of which are covered under this product..



## Who is the product designed for?

The product is aimed at customers domiciled in UK. Consumers who have horses or ponies that need insurance cover when using their horses for pleasure and/or competition, often in lower value horses and customers who require mortality and veterinary fees cover for horses typically of lower value.



## Who is the product not appropriate for?

This product is not appropriate for domestic pet owners who primarily insure cats, dogs, or other household pets and is not suitable for people who have no insurable interest in horses used for pleasure/competition purposes. Nor is it suitable for customers domiciled outside the United Kingdom, as the policy is tailored to meet UK regulatory requirements and market conditions. It is not suitable for customers seeking non-mortality cover or customers who are seeking cover for commercial farming or livestock.





## Target market specific characteristics, including, customer vulnerability

Due to the personal lines' nature of this product some clients could be under financial difficulties due to the increased cost of living crisis. Losing a horse can also be an emotional time.

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

### Key Elements:

- Section 1 (A) & (B) Mortality: death or humane destruction of the horse during the policy term or within 90 days of expiry.
- Section 2 Theft or straying of the horse and humane destruction directly resulting from theft.
- Section 3 Permanent Incapacity.
- Section 4 Veterinary fees: treatment for accidental external injury or illness first manifesting during the policy term, including surgery and life saving treatment.

### Exclusions:

1. Quarantine due to disease.
2. Intentional Slaughter (unless approved by underwriter or for safety reasons).
3. Death or humane destruction linked to surgery (unless conducted by a vet), medication (unless given by a vet), or lack of proper care.





## Key value elements and exclusions (continued)

4. Nuclear risks, war, government confiscation
5. Fraud, trickery, voluntary parting with possession, unexplained disappearance or escape.



## Does the product include optional covers?

Additional cover can be bought for other perils:

**Section 1 (A) & (B) Mortality:** Providing we agreed to pay a claim for the death of your horse, we will also pay up to £150 in respect of irrecoverable loss of entry fees paid in advance to partake in a show or event caused by death of your horse.

**Section 2 Theft or Straying:** (a) Providing we agree to pay a claim for the death of your horse, we will also pay up to £150 in respect of irrecoverable loss of entry fees paid in advance to partake in a show or event caused by death of your horse. (b) Subject to prior written consent, we will pay £150 towards the cost of advertising or reward or other expenditure of each theft or straying.

**Section 3 Permanent Incapacity:** (a) If horse treatment is in progress at the expiry date of the period of insurance cover under this section will extent up to 12 months from date of injury or when illness first showed symptoms. (b) Providing agreement, we will pay a claim for permanent incapacity, up to £150 in respect of irrecoverable loss of entry fee paid to partake in show/event

**Section 4 Veterinary fees:** (a) Complementary treatment your horse received to treat an accidental external injury or injury sustained/illness that first showed symptoms during the period of insurance. (b) Claim involving colic surgery during period of insurance, based on the level of cover you have chosen, we will pay up to sum insured shown for colic surgery in the certificate of insurance less your excess.





## How should this product be distributed?

This product is distributed via one Coverholder, South Essex Insurance 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. Distributors must 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 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

AXA XL Insurance Company UK Limited  
20 Gracechurch Street, London, EC3V 0BG, United Kingdom  
Telephone: +44 (0)20 7626 0486 Fax: +44 (0)20 7623 9101 [axaxl.com](http://axaxl.com)

Registered office: 20 Gracechurch Street, London, EC3V 0BG Registered in England No 5328622

AXA XL Insurance Company UK Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.