



Target Market Statement: AXA XL

The purpose of this document is to explain 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 and optional covers 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.

Product Name: Equine

Product Type:	Commercial Lines general insurance product suitable for consumers and SME business
Who is the product designed for?	Binder business is typically lower value animals (higher % of consumers), with Open Market being high value animals (higher % of micro/medium/large commercial). Both binder and open market can include a range of Sport Horse owners (from recreational to 4 Star Eventing (the higher level, valuing the horses at \$1m+), Racehorse owners and breeders, Stud Farms and Syndicates.
Who is the product not appropriate for?	This product is not appropriate for domestic pet owners e.g., cats and dogs
What customer need is met by this product?	This product provides cover for risks located with experienced personnel with access to good veterinary support facilities, risk relating to racing and breeding sport horses and any western uses. Finally, this product is provided for risk relating equestrian package business.
Target market - are there any specific characteristics, including, customer vulnerability, that you should be aware of?	Individuals or companies under financial strain e.g., due to the impact of the pandemic may not be able to afford premiums on an ongoing basis.

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

Registered office: 20 Gracechurch Street, London, EC3V 0BG Registered in England No 5328622
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<p>What are the key value elements/ characteristics of the product that are important for the target market (including notable exclusions)?</p>	<p>The Equine product covers the death or humane destruction of the horse during the period of the insurance contract or within 90 days after the expiry of the contract. The insured incidents need to be first occurring and manifesting during the contacted period, subject to written notice. The insured would be indemnified in respect of the fair market value of the horse within the limit of the underwriters' liability specified in the schedule. This policy also covers theft as well as death or humane destruction of the horse directly resulting from the theft of the horse.</p> <p>Exclusions include:</p> <ol style="list-style-type: none"> 1. When the horse is subject to quarantine due to a disease, the policy does not cover death, intentional slaughter, or humane destruction of the horse directly or indirectly attributable to said disease. 2. This policy does not cover intentional slaughter of the horse, unless the Underwriters agreed to the destruction of the horse; in the situation in Exclusion 1; destroyed by an authority because the horse was uncontrollable and have been a danger to the safety of an aircraft, crew, passengers, or cargo. 3. Death or humane destruction directly or indirectly related to: surgical operation unless conducted by a vet; medication unless given by a vet; malicious acts or failure to provide proper care by anyone has care, custody, or control of the horse; use of horse for purposes not specified in the schedule. 4. Death or humane destruction directly or indirectly related to: nuclear reaction or radiation; government/authority confiscation or nationalisation; events including wars, hostilities, domestic conflicts etc; cyber incidents. 5. Loss directly or indirectly arising from unexplained disappearance, escape of voluntary parting of possession of or title to the horse because of the insured or other persons who have care, custody, or control of the horse, being induced by fraud, trickery, or similar false pretences.
<p>Does the product include optional covers?</p>	<p>Additional cover can be bought for other perils:- e.g., Infertility cover, Veterinary Fees and Unborn Foal</p>
<p>How should this product be distributed?</p>	<p>The product is distributed via DUA and Open Market.</p>



<p>What should distributors do to ensure the product provides fair value to the end customer?</p>	<p>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.</p>
<p>How can the product be sold? Can it be sold without advice?</p>	<p>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.</p>
<p>How is value assessed?</p>	<p>AXA XL has established a 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’).</p> <p>New product developments and changes to existing products are taken through a formal product approval process which is designed to:</p> <ul style="list-style-type: none"> • Identify the target market and its needs. • Review policy wording 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 annually review the product on a fair value assessment basis, using key performance metrics to see if any remedial actions are required and to make sure it remains suitable for customers in the identified target market. <p>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.</p>
<p>Additional Product Literature:</p>	<p>This document is to be read in conjunction with the appropriate policy wording.</p>