



## Target Market Statement

# Q Underwriting Combined Liability

AXA Commercial has undertaken a Product Review and Fair Value Assessment as the manufacturer of this product, in accordance with our obligations under PROD 4.2.

<b>Date of most recent Product Review and Fair Value Assessment</b>	<b>August 2023</b>
<b>Date of next Product Review and Fair Value Assessment to be completed by</b>	<b>Within the next 12 months*</b>

*\*We continuously monitor our products and apply a risk-based approach to our product governance; the next review and assessment may take place before this date and this document updated accordingly.*

### Outcome of the Product Review and Fair Value Assessment

As a result of the product governance activities undertaken across this product we can confirm:

- 1.The product remains consistent with the needs of the identified target market**
- 2.The product remains consistent with the fair value assessment**
- 3.The intended distribution strategy remains appropriate**

This product is aimed at SMEs.

### Product Description

It offers Public Liability and Employers liability for retailers, manufacturers, wholesalers, leisure occupations and other risks requiring liability cover only.

### Product Type

This is a Commercial Lines general insurance product which is suitable for business customers only.

### Product Status

This product is open to new and renewal business.

### Who is the product designed for?

This product is suitable for commercial customers based within Great Britain, Northern Ireland, the Channel Islands and Isles of Man who engage in retail,

	manufacturing, wholesaling, leisure trades and not for profit clubs and associations up to a turnover of £5.0M.
<b>Who is the product <u>not</u> appropriate for?</b>	Non-commercial customers , businesses with a turnover greater than £5.0M, or certain high risk trades.
<b>What are the mandatory product features that will meet the needs, characteristics, and goals of the target market?</b>	This product provides Public and Products Liability cover as standard, up to agreed specified limits. The product cannot be purchased unless the Public Liability insurance section has been selected.
<b>Does the product include optional covers?</b>	<p>The following optional covers can be added</p> <ul style="list-style-type: none"> <li>• Employers Liability</li> <li>• Legal Expenses</li> </ul>
<b>How should this product be distributed?</b>	This product should be sold with the active assistance and guidance of an Insurance Intermediary to select the appropriate level of cover. This product should not be sold directly to customers without this assistance.
<b>What should distributors do to ensure the product provides fair value to the end customer?</b>	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. The distributors should ensure that the levels of cover selected are adequate for the risk insured.
<b>Additional Product Literature</b>	This document is to be read in conjunction with the appropriate policy wording and policy summary.

### **Further information about the Product Review and Fair Value Assessment**

When completing our Product Reviews and Fair Value Assessments we used all available information relevant to the product, and information provided by our distribution partners.

Where indicators and measures were outside AXA Commercial’s tolerance, we investigated these to ensure that the product continues to remain suitable for the target market, delivers value for customers and operates in line with customer expectations. Details of any key actions taken can be found below.

Review / Assessment Area	Key Indicators and Measures	Summary outputs and actions
<b>Product Performance</b>	<ul style="list-style-type: none"> <li>• Target Market review (including a review of the product Target Market statement).</li> <li>• Customer vulnerability considerations</li> <li>• Review of whether the product contains consumers, (and additional regulatory activity (value measures) where this is the case).</li> <li>• Review of claims declinature/repudiation rates</li> <li>• Product specific complaints review</li> </ul>	<p>Our assessment of these measures confirmed the ongoing fair value of this product.</p> <p>We have made some updates to the overall Target Market Statement to ensure the information provided is clear.</p>
<b>Price</b>	<ul style="list-style-type: none"> <li>• Review of product pricing approach</li> <li>• Commission levels</li> <li>• Review of non-standard remuneration (where applicable)</li> <li>• Review of claim frequency.</li> <li>• Loss Ratio and COR review</li> <li>• Review of add-ons relating to the product.</li> </ul>	<p>Our assessment of these measures confirmed the ongoing fair value of this product.</p>
<b>Service Delivery</b>	<ul style="list-style-type: none"> <li>• Complaints Service Metrics</li> <li>• Customer Feedback mechanisms</li> </ul>	<p>Our assessment of these measures confirmed the ongoing fair value of this product.</p>
<b>Distribution</b>	<ul style="list-style-type: none"> <li>• Review of Distribution Strategy and oversight in place specific to this product</li> <li>• A review of the extended distribution chain.</li> </ul>	<p>Where our distribution partners have responded to our Value in the Distribution Chain information request this information has been included, and our assessment of these measures has confirmed that the distribution strategy for this product remains appropriate. (This is subject to all distributors ensuring that the costs they pass on to customers and any add-ons sold do not adversely impact the value of this product.)</p> <p>We continue to work with our partners to obtain and assess information, and agree actions as required, to ensure the ongoing value of this product.</p>
<b>Assurance Activity (Previous &amp; current)</b>	<ul style="list-style-type: none"> <li>• Review of previous conduct risk audits (including outcomes and follow up activity).</li> <li>• Review of any product related risks that have been raised (if applicable), and their outcomes.</li> <li>• Review of all product changes, (including any significant adaptations).</li> </ul>	<p>Our assessment of these measures confirmed the ongoing fair value of this product.</p>