



## Target Market Determination: 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 determination 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: Aircrew Loss of Licence

<b>Product Type:</b>	General insurance product - Aircrew Loss of Licence
<b>Distributor:</b>	Brokers competent in the employee benefit field of aircrew insurance risk who are authorised in the risk location of the airline purchasing the product.
<b>Who is the product designed for?</b>	Commercial Airlines that provide benefits following the early termination of a pilots' career who wish to insure the financial liability that any such commitments may impose upon them.
<b>Who is the product not appropriate for?</b>	<p>This product is suitable for airlines purchasing for their own benefit. It is not suitable for airlines purchasing on behalf of pilot's own benefit.</p> <p>Airlines must ensure that the eligibility criteria are appropriate for their crew, jurisdiction and employee tax environment.</p> <p>Airlines must ensure that the structure of the policy is appropriate to the employment law requirements of the domicile in which the pilot is employed and any specific Conditions of Service, collective or personal, applicable to each pilot.</p> <p>The product is designed to cover crew who meet the international and national aircrew licensing</p>

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	<p>standards to exercise the privileges of their licence to fly commercial aircraft.</p> <p>The product may only be purchased where an airline wishes to cover all pilots within a structured framework.</p> <p>The product is not suitable for any kind of voluntary upsell to individual pilots.</p> <p>The product is not suitable for sale in any jurisdiction where the pilots have a direct right of claim against the Insurer.</p> <p>The premium must only be paid by the airline.</p> <p>The sole beneficiary of any claim proceeds will be the airline.</p> <p>This product is not suitable for use as an income protection policy.</p>
<b>What customer need is met by this product?</b>	Reimbursement of benefits paid by an airline following loss of licence.
<b>Target market – are there any specific characteristics, including, customer vulnerability, that you should be aware of?</b>	<a href="#">AXA XL has a Vulnerable Customer Guide</a> and Contact support that provides guidance on the options available if any person insured under the product needs additional support during a period of vulnerability.
<b>What are the key value elements/ characteristics of the product that are important for the target market (including notable exclusions)?</b>	<p><b>Key Product Information</b></p> <p>If during the Period of Insurance, the pilot becomes disabled, the Insurer will pay the agreed benefits specified in the policy to the airline.</p> <p><b>Principle Exclusions</b></p> <ul style="list-style-type: none"> <li>• War</li> <li>• Terrorism</li> <li>• Nuclear radiation</li> <li>• Criminal acts</li> <li>• Self-inflicted injury</li> <li>• Active service with an armed force</li> </ul>
<b>Does the product include optional covers?</b>	No
<b>How should this product be distributed?</b>	<p>The product may only be distributed via an appropriately licensed broker to commercial airlines.</p> <p>The broker must ensure that the product is suitable for the airline purchasing it taking into account the guidance provided under “Target Market” above.</p>



<p><b>What should distributors do to ensure the product provides fair value to the end customer?</b></p>	<p>The end customer is the airline insured under this product. No benefits are payable to any third party.</p> <p>To ensure the customer receives fair value for this product, care must be taken to ensure no UNINTENTIONAL duplicate cover exists or is caused by an add-on where that cover is already provided by the policy.</p> <p>Commission, fees, or charges passed onto the customer must be proportionate to the service provided and provide fair value.</p> <p>Distributors to have clear practices in place to ensure the prevention of any sales outside the intended target market.</p>
<p><b>How can the product be sold? Can it be sold without advice?</b></p>	<p>This product cannot be sold in a non-advised manner.</p>
<p><b>How is value assessed?</b></p>	<p>This product is only distributed to commercial organizations.</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 United Kingdom Financial Conduct Authority'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"> <li>• Identify the target market and its needs.</li> <li>• Consider and review the product's performance metrics, product complexities, sales, and service risks.</li> <li>• Consider and review the policy fees, charges, remuneration in comparison to benefits offered.</li> <li>• Review policy wording and customer facing documentation to ensure it is clear, fair, and not misleading.</li> <li>• Consider the needs of any vulnerable customers; and</li> <li>• Monitor post-sales performance.</li> </ul> <p>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</p>



	<p>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> <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>
<b>Additional Product Literature:</b>	<p>This document is to be read in conjunction with the appropriate policy wording.</p>