



## 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: GP Locum

<b>Product Type:</b>	Commercial Lines general insurance product suitable for consumers and SME business.
<b>Who is the product designed for?</b>	The product is designed for NHS & Private GP surgeries in England and Wales. Policy holders are all individual entities in the form of partnerships. These individual partnerships fall under local clinical commissioning groups (CCG's) across the country, which provide the NHS systems and various funding methods to those practices. This includes funding per patient, some drugs & vaccines, their IT systems, and event specific funding that each practice is entitled to via the NHS. One of these schemes being the NHS reimbursement scheme, designed to cover the costs of the surgery employing a Locum GP, should one of their employees, partners be unable to work due to sickness or injury. Whilst a fairly new scheme, the NHS reimbursement scheme is restrictive in what it can cover but also falls short in comparison to what Locum GP's cost to the practice. Most GP surgeries will therefore require a Locum insurance policy (top up policy) to cover the shortfall that most practices are faced with. The individual

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	practices/partnerships are entirely responsible for their insurance purchases and its limits.
<b>Who is the product not appropriate for?</b>	The product is not suitable for any person not working in a General Practice service
<b>What customer need is met by this product?</b>	This product provides cover to general practitioner (GP) practices for the cost of GP locums employed in the event that a member of permanent staff be absent from work through accident or illness.
<b>Target market – are there any specific characteristics, including, customer vulnerability, that you should be aware of?</b>	<p>Individuals or companies under financial strain may not be able to afford premiums on an ongoing basis.</p> <p>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: <a href="#">AXA XL's Vulnerable Customers Guide &amp; Contact Support</a>.</p>
<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 Insured Person:</p> <ul style="list-style-type: none"> <li>(a) sustains Bodily Injury following an Accident which within two (2) years is the sole and independent cause of death or Disablement; or,</li> <li>(b) contracts an Illness and is certified unfit to work by a Medical Practitioner and which independently of any other cause results in a claim,</li> </ul> <p>The cover will pay to the Insured Practice the appropriate Benefit amount subject to the Maximum Incident Limit Payment Period and Deferment Period. Cover is also provided for Jury service and compassionate leave.</p> <p><b>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>• Deliberate exposure to exceptional danger</li> </ul>



	<ul style="list-style-type: none"> <li>• PTSD</li> <li>• Pre-existing medical conditions</li> </ul>
<b>Does the product include optional covers?</b>	<p>If selected cover is also provided for (please see policy wording for more information):</p> <ul style="list-style-type: none"> <li>• Maternity</li> <li>• Adoption / Paternity Leave</li> <li>• Travel Delay</li> </ul>
<b>How should this product be distributed?</b>	<p>The product is distributed via open market retail brokers only, (no wholesale, FAC-reinsurance or coverholder agreements are in place). Distribution is managed through a small number of dedicated brokers who specifically look after government contract entities only.</p>
<b>What should distributors do to ensure the product provides fair value to the end customer?</b>	<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>Distributors to have clear practices in place to ensure the prevention of any sales outside the intended target market.</p>
<b>How can the product be sold? Can it be sold without advice?</b>	<p>We would suggest that this product can be sold face to face or via telephone.</p> <p>This product can be sold with or without advice depending on your preference and in line with FCA regulations.</p>
<b>How is value assessed?</b>	<p>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').</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> </ul>



	<ul style="list-style-type: none"><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 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>	This document is to be read in conjunction with the appropriate policy wording.