



## 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: Marine Cargo

<b>Product Type:</b>	Commercial Lines general insurance product suitable for goods during voyage or transit.
<b>Who is the product designed for?</b>	This product is targeted towards. Small to Medium sized businesses.
<b>Who is the product not appropriate for?</b>	Individuals, EEA based Customers.
<b>What customer need is met by this product?</b>	This is a marine cargo insurance policy that provides insurance for loss or damage to goods during the Voyage/Transit and on the Conveyances set out in the schedule by or for the customer's account.
<b>Target market – are there any specific characteristics, including, customer vulnerability, that you should be aware of?</b>	<p>Customers under financial strain e.g., due to the impact of the economy/ cost of living crisis not 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</p>

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	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>
<b>What are the key value elements/ characteristics of the product that are important for the target market (including notable exclusions)?</b>	<b>This product covers:</b> <ul style="list-style-type: none"><li>• Total and partial losses to goods, including costs of recovery and/or repairing goods.</li><li>• Costs of returning damaged goods to manufacturers and/or suppliers for repair by air freight.</li><li>• Costs of air freight and replacement goods from manufacturers and/or suppliers to destination, regardless of whether the goods lost or damaged were originally despatched by air freight.</li><li>• Goods during loading and whilst being packed by professional packers and whilst at professional packer's premises and storage in the ordinary course of transit, containerisation, and transhipping.</li><li>• Additional charges incurred in unloading, storing, and forwarding goods to the destination to which the goods are insured following release of goods from a vessel arrested or detained at or diverted to any other port or place where the voyage is terminated due to events set out in the policy.</li><li>• Costs in connection to removing and disposing of the debris of any goods.</li><li>• Costs in connection to the transfer of goods from one conveyance to another in the event of an accident to the original conveyance.</li><li>• Loss or damage to goods whilst being transferred.</li><li>• Loss or damage to goods caused by governmental authorities to prevent or mitigate a pollution, hazard, or threat, where goods have been damaged as a result of the accident or occurrence which gave rise to the threat of pollution.</li><li>• Additional expense incurred by a customer in discharging, handling, storing, reloading, or transporting sound and/or damaged goods by any means other than the normal methods or other than at normal rates.</li><li>• Loss or damage in the event of exercising a right of lien on goods, or interrupting their transit, or suspending the sale contract whilst goods are in transit when it is</li></ul>



	<p>practicable for the customer to do so to safeguard its interest. 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> <p><b>Exclusions (refer to Policy wordings for full list):</b></p> <ul style="list-style-type: none"> <li>• Loss or damage which at the time of happening of such loss or damage is insured by, or would, but for the existence of this policy, be insured by any other policy or policies except in respect of any excess beyond the amount which would have been payable under such other policy, or policies had this policy not been affected.</li> <li>• Loss or damage to goods that comprise of arms and/or ammunition and/or any form of military goods.</li> <li>• Loss or damage to goods shipped on or above deck unless goods are in fully enclosed metal containers.</li> <li>• Loss or damage to goods whilst personally carried or which are shipped unpacked.</li> <li>• Loss or damage to goods due to or caused by electrical and/or electronic and/or mechanical breakdown and/or derangement.</li> <li>• Loss or damage to goods on voyages/transit to or from or via any territory or area not listed in the schedule.</li> <li>• Loss or damage to goods caused by carriage by Ro-Ro passenger ferries, passenger vessels transporting more than twelve (12) passengers, oil tankers, chemical tankers, gas carriers, bulk carriers, and cargo high speed craft of 500 gross registered tonnes or more, all other cargo ships and mobile offshore drilling units of 500 gross registered tonnes or more, carried by Vessel that does not hold a valid ISPS Code.</li> </ul>
<b>Does the product include optional covers?</b>	Optional Cover includes storage outside the normal course of transit, Exhibitions, Engineers Tools, and Representative's Samples.
<b>How should this product be distributed?</b>	This product is distributed via the online quote and buy platform to around 1,000 specialist brokers.



<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.
<b>How can the product be sold? Can it be sold without advice?</b>	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.
<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 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.
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