



Commercial Combined

Target Market Statement

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.

Date of most recent Product Review and Fair Value Assessment	September 2024
Date of next Product Review and Fair Value Assessment to be completed by	Within the next 12 months*

*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 meets the needs of the identified target market**
- 2. The product provides fair value to the target market**
- 3. The distribution strategy remains appropriate**

Product Description

This product is multi-sectional and can cater for customers requiring a single section of cover or the full range of available covers for the product, including Property (Material Damage, Business Interruption, Money, Contractors All Risks) and Liability (Employers' Liability, Public and Products Liability, Goods in Transit).

This product is sold via Insurance Intermediaries.

Product Type

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

Product Status

The Commercial Combined policy is only available to renewing customers, although a few of the covers are sometimes made available to new business customers.

Who is the product designed for?

Commercial customers with businesses based within Great Britain, the Channel Islands and the Isle of Man.

Who is the product not appropriate for?

Commercial customers who operate in the Property Owning or Motor Trade sectors.

This product can provide the following covers as a single section or multiple section solution for businesses:

- Business Interruption – All Risks or Specified Perils. Cover options available include:
- Accounts receivable
- Annual gross rentals, estimated gross rentals or gross rentals
- Annual gross revenue, estimated gross revenue or gross revenue
- Estimated gross profit or gross profit
- Increase in cost of working
- Additional increase in cost of working
- Computer Insurance – this can cover:
- Computer equipment
- Reinstatement of data
- Increased cost of working.
- Contractors All Risks – this cover provides protection for contract works, own plant and hired-in-plant insured on an annual basis.
- Employers’ Liability - this cover provides protection in respect of legal liability for bodily injury to employees.
- Engineering Contractors Plant and Equipment – this cover provides protection against damage in respect of own and hired-in plant and equipment.
- Engineering Sudden and Unforeseen Damage (including breakdown and inspection) – provides protection against damage and breakdown of machinery and can extend to provide a statutory inspection service.
- Goods in Transit - insurance to protect property while in transit either in own vehicles or while being carried by a third party.
- Legal Expenses - this provides insurance against exposure to legal expenses in connection with a variety of specified events including employment disputes, criminal prosecutions, property disputes and Tax/VAT disputes.
- Money and Personal Assault - this cover is to protect business money.
- Material Damage - All Risks or Specified Perils - insurance cover to protect buildings, contents, stock and other items against insured damage.
- Public and Products Liability - this cover gives protection in respect of legal liability for injury to third parties or for damage to their property.
- Personal Accident and Sickness (Group) – this cover provides protection against death, permanent and temporary injury to the insured persons and can also extend to include sickness protection.
- Selected All Risks (for specific items) - cover to protect specific items whilst anywhere in the UK and optionally, elsewhere in the world.
- Terrorism – to protect your property and any subsequent business interruption from acts of terrorism.
- Theft by Employee - this provides cover for your clients for loss of money or property due to employee dishonesty or acts of fraud.

What are the mandatory product features that will meet the needs, characteristics, and goals of the target market?

Each cover has its own significant exclusions and conditions but policies will generally exclude war, cyber losses, radioactive contamination, communicable disease and deliberate acts from most sections.

Does the product include optional covers?

There are no set mandatory covers on this product – all covers are selectable.

How should this product be distributed?

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.

What should distributors do to ensure the product provides fair value to the end customer?

To ensure the customer receives fair value for these products, 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 sums insured are adequate for the risk insured.

Vulnerable Customers

Customers with characteristics of vulnerability are within the target market. Vulnerable customer objectives are consistent with those of non-vulnerable customers and can benefit from the product in the same way. Vulnerable customers have different characteristics to non-vulnerable customers and may require additional support.

Our colleagues are trained and equipped to identify and support vulnerable customers. We closely monitor vulnerable customer outcomes to ensure our products and services continue to meet their needs and deliver good outcomes.

Please read this document alongside the product policy wording, available through the AXA Connect broker portal.

Additional Product Literature

Detail on all limits, conditions and exclusions have not been included, this information can be found within the policy wording.

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
Product Performance	<ul style="list-style-type: none"> • Target Market Assessment • Customer vulnerability considerations • Cancellation metrics • Claims metrics • Complaints metrics • Product fees/charges • Consumer Value Measures Data * <p>*Consumer Value Measures products only</p>	<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>
Price	<ul style="list-style-type: none"> • Pricing metrics • Remuneration • Loss ratios • Expense ratios • Combined Operation ratio (COR) • Customer Tenure • Customer usage • Add on Metrics • Premium Finance metrics 	<p>Our assessment of these measures confirmed the ongoing fair value of this product.</p>
Service Delivery	<ul style="list-style-type: none"> • Claims Service • Complaints Service (including FOS) • Operational Service • Customer Feedback 	<p>Our assessment of these measures and the ongoing actions in place, confirmed the ongoing fair value of this product.</p>
Distribution	<ul style="list-style-type: none"> • Review of Distribution Strategy and oversight • Review of the Distribution Strategy • Review the value provided by the distribution chain 	<p>Where distribution partners responded to our information request, our assessment of these measures 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>
Assurance Activity	<ul style="list-style-type: none"> • Previous assessments of this product • Review of any product changes or Significant Adaptations • Review of Incidents associated with this product • Review of other relevant Monitoring and Oversight activity relating to this product 	<p>Our assessment of these measures confirmed the ongoing fair value of this product.</p>

Commercially sensitive data, such as remuneration details, cannot be shared here. Information will continue to be shared with you as part of our relationship.

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