

# Target market statement

## Relevant Life and Business Protection

As a company that provides insurance products (product manufacturer), there are rules we need to follow – including being open about who we want to buy the products we offer. These target market statements help clear some of that up and make sure we're meeting [Insurance Distribution Directive \(IDD\) and FCA PROD 4 regulations](#).

Doing the right thing is important to us. So each statement says who a product is and isn't designed for and what type of adviser should sell it. Rest easy knowing our products regularly go under the spotlight to ensure good customer outcomes and fair value.

This document is intended for use by advisers only.

### Relevant Life Insurance

This document provides information on AIG's Relevant Life Insurance target market. More information about the policy features and benefits can be found in the Key Facts and Cover Details documents available on our [website](#).

#### What is it?

Relevant Life Insurance allows business owners to provide their employees with life insurance outside a group life scheme. It pays a lump sum if the covered person dies or is diagnosed with a terminal illness over the policy term.

#### Who can apply for cover?

The business applying for cover must be registered in the UK and the employee whose life is being covered must either be a British citizen or resident in the UK and be between ages 17 – 71.

You can check the Cover Details or the [AIG Life website](#) for more information on who can apply for the cover.

#### Who is it designed for?

Relevant Life Insurance is designed for employers who wish to provide tax-efficient life cover to individual employees. The policy is applied and paid for by the business. It's mandatory that the policy be written into trust from outset to ensure the cover pays the lump sum to the employee or their beneficiaries. It complies with the relevant legislation that makes it tax-efficient for the business, the employee and the beneficiaries.

We'd expect this to be suited to businesses who don't qualify for a group scheme but want to provide a tax-efficient benefit for individual employees. Or those who do offer a group scheme but need to provide additional benefits for high-earning employees nearing their maximum lifetime allowances. The cover provides a solution for businesses of all sizes to help provide competitive benefit packages to their employees.

At time of application, customers must choose whether they need level or increasing cover:

- Level cover – if they need a fixed sum that’s unlikely to change
- Increasing cover – if they need to protect against the impact of inflation.

AIG specialise in providing insurance that helps people experiencing tough times in life. Relevant Life Insurance provides features and services that can help such customers, these are:

- Terminal illness – pays the full sum assured if the person insured has been diagnosed with a terminal illness where the life expectancy is 12 months or less, thereby providing support to the person insured’s loved ones or covering financial responsibilities, such as a mortgage
- Claims support fund – pays for services that support the person insured or their family, e.g. bereavement counselling.

### **Who this cover isn’t suitable for**

Relevant Life Insurance isn’t designed for those customers:

- who are sole traders (in their capacity as business owner), equity partners in a partnership relationship or an equity member of limited liability partnerships who is taxed as self-employed
- needing to insure a business loan, shareholding in a business, a key person or otherwise intend for the pay out to benefit the business
- needing to provide their employee(s) a monthly income if they can’t work due to illness or injury
- needing to provide their employee(s) a lump sum of money if they receive a critical illness diagnosis
- needing to provide their employee(s) with cover on a whole of life basis
- needing to provide their employee(s) cover on a decreasing sum assured basis

- outside of the age eligibility range
- needing a policy with a cash in value.

### **Distribution strategy**

Relevant Life Insurance can be sold through intermediaries on an advised basis, either face-to-face or by phone.

## **Business Protection Term Assurance**

This document provides information on AIG’s Business Protection Term Assurance target market. More information about the policy features and benefits can be found in the Key Facts and Cover Details documents available on our [website](#).

### **What is it?**

Business Protection Term Assurance helps protect a business customer against financial losses when death or a terminal illness affect key people within the business. It pays a lump sum if the covered person dies or is diagnosed with a terminal illness over the policy term.

### **Who can apply for cover?**

The business applying for cover must be registered in the United Kingdom, Channel Islands, Isle of Man, or Gibraltar. The life insured must be a British citizen, resident in the UK, Channel Islands, Isle of Man, Gibraltar, or otherwise fit our overseas residence criteria and be between ages 17 – 86.

You can check the Cover Details or the [AIG Life website](#) for more information on who can apply for the cover.

### **Who is it designed for?**

Business Protection Term Assurance is designed for business customers who wish to protect against the financial impact of the death or terminal illness diagnosis of a crucial person on their business during the term of cover, and take advice on how insurance could help.

The cover provides solutions to businesses of all sizes and types – including limited companies, sole traders, partnerships and limited liability

partnerships (LLPs). Plans can be set up on an own life, joint life first event or life of another basis.

Business Protection Term Assurance provides the following solutions for business customers:

- Key person cover protects businesses if an employee who significantly contributes to their success becomes terminally or critically ill, or dies
- Business loan protection gives co-owners cover for any business loan payments that may be at risk, in the event of death or illness
- Shareholder Protection allows for a planned succession of a shareholder or partner's business stake should they fall ill or die, with options such as required buybacks
- Partnership Protection provides partners with the cash flow necessary to buy back the ownership stake of a partner or member of a limited liability partnership who has fallen ill or died.

At time of application, customers must choose whether they need level, renewable, increasing or decreasing cover:

- Level cover – if they need a fixed sum that's unlikely to change
- Renewable cover – if they'd like the option to renew their cover after a period of 5 or 10 years. Premiums will be lower initially but will increase following renewal
- Decreasing cover – if they need to protect against decreasing debts like a repayment business loan
- Increasing cover – if they need to protect against the impact of inflation.

AIG specialise in providing insurance that helps people experiencing tough times in life. Business Protection Term Assurance provides features and services that can help such customers, these are:

- Waiver of Premium – added for additional cost and will cover the plan premiums if the person insured is incapacitated for longer than 26 weeks, helping customers keep their cover if they're unable to work due to illness or injury
- Terminal illness – pays the full sum assured if the person insured has been diagnosed with a terminal illness where the life expectancy is 12 months or less, thereby providing support to the person insured's loved ones or covering financial responsibilities, such as a mortgage
- Claims support fund – pays for services that support the person insured or their family, e.g. bereavement counselling.

### **Who this cover isn't suitable for**

Business Protection Term Assurance isn't designed for those customers:

- who own a business not registered in the UK, Channel Islands, Isle of Man or Gibraltar
- who need to insure someone residing outside the UK, Channel Islands, Isle of Man or Gibraltar or who otherwise doesn't fit the overseas residency criteria
- wanting to provide a direct benefit to their employees and their families
- needing a monthly income if they can't work due to illness or injury
- needing a lump sum of money if they receive a critical illness diagnosis
- needing cover on a whole of life basis
- needing a monthly benefit instead of a lump sum of money
- outside of the age eligibility range
- needing a policy with a cash in value.

### **Distribution strategy**

Business Protection Term Assurance can be sold by intermediaries on an advised basis, either face-to-face or by phone.

## AIG Business Protection Critical Illness with Term Assurance

This document provides information on the AIG Business Protection Critical Illness with Term Assurance target market. More information about the policy features and benefits can be found in the Key Facts and Cover Details documents available on our [website](#).

### What is it?

Business Protection Critical Illness with Term Assurance helps protect a business customer against possible financial losses when critical illness or death affects key people in the business. It pays a lump sum for the death, terminal illness or critical illness of the policyholder/s, and any of the policyholder's children, where applicable.

### Who can apply for the cover?

The business applying for cover must be registered in the United Kingdom, Channel Islands, Isle of Man, or Gibraltar. The life insured must be a British citizen, resident in the UK, Channel Islands, Isle of Man, Gibraltar or otherwise fit our overseas residence criteria and be between ages 17 – 86.

You can check the Cover Details or the [AIG Life website](#) for more information on who can apply for the cover.

### Who is it designed for?

Business Protection CI with Term Assurance is designed for business customers who wish to protect against the financial impact of the death or a critical illness diagnosis of a crucial person on their business during the term of cover. And take advice on how insurance could help.

We offer solutions to businesses of all sizes and types – including limited companies, sole traders, partnerships, and limited liability partnerships (LLPs). Plans can be taken out on an own life, joint life first event or life of another basis.

Business Protection CI with Term Assurance provides the following solutions for business customers:

- Key person cover protects businesses if an employee who significantly contributes to their success becomes terminally or critically ill, or dies
- Business loan protection gives co-owners cover for any business loan payments that may be at risk, in the event of death or illness
- Shareholder Protection allows for a planned succession of a shareholder or partner's business stake should they fall ill or die, with options such as required buybacks
- Partnership Protection provides partners with the cash flow necessary to buy back the ownership stake of a partner or member of a limited liability partnership who has fallen ill or died.

At time of application, customers must choose whether they need level, renewable, increasing or decreasing cover:

- Level cover – if they need a fixed sum that's unlikely to change
- Renewable cover – if they'd like the option to renew their cover after a period of 5 or 10 years. Premiums will be lower initially, but will increase following renewal
- Decreasing cover – if they need to protect against decreasing debts like a repayment business loan
- Increasing cover – if they need to protect against the impact of inflation.

AIG specialise in providing insurance that helps people experiencing tough times in life. AIG's Business Protection Critical Illness with Term Assurance provides features and services that can help such customers, these are:

- Waiver of Premium – added for additional cost and will cover the plan premiums if the covered person is incapacitated for longer than 26 weeks, helping customers keep their cover if they're unable to work due to illness or injury

- Terminal illness benefit – pays the full sum assured if the life covered has been diagnosed with a terminal illness where the life expectancy is 12 months or less, thereby providing support to the person insured’s loved ones or covering financial responsibilities such as a mortgage
- Claims support fund - pays for services that support the person insured or their family, e.g. bereavement counselling.

### **Who this cover isn’t suitable for**

The AIG Business Protection Critical Illness with Term Assurance isn’t designed for those customers:

- who own a business not registered in the UK, Channel Islands, Isle of Man or Gibraltar
- who need to insure someone residing outside the UK, Channel Islands, Isle of Man or Gibraltar or who otherwise doesn’t fit the overseas residency criteria
- wanting to provide a direct benefit to their employees and their families
- needing a monthly income if they can’t work due to illness or injury
- needing cover on a whole of life basis
- needing a monthly benefit instead of a lump sum of money
- outside of the age eligibility range
- needing a policy with a cash in value.

### **Distribution strategy**

Business Protection Critical Illness with Term Assurance can be sold by intermediaries on an advised basis either face-to-face or by phone.



[www.aiglife.co.uk](http://www.aiglife.co.uk)