

Target Market Statement

Zurich Business Whole of Life

The Zurich Business Whole of Life target market statement supports intermediaries and helps them understand the distribution strategy and identify the likely characteristics and eligibility of the customers in the target market. It outlines:

- What the product is designed to do
- How it should be distributed
- Target market customer characteristics and risk profile
- Key eligibility criteria for customers in the target market
- Key features of the benefit and how they meet customer needs
- Who the product won't be suitable for (the non-target market)

What the Zurich Business Whole of Life product is designed for



To provide businesses with financial protection so that on a key person's death, or diagnosis of a terminal illness, the business will receive a lump sum payout to help cover the costs of things like replacing a key person, covering the loss of profits or purchasing shares back from the life assureds estate.

A claim for terminal illness will be paid where there is a definite diagnosis that the illness either has no known cure or has progressed to the point where it cannot be cured, and the illness is expected to lead to death within 12 months.

Distribution Strategy

This product is designed for businesses who want to buy with the help of an insurance intermediary. It may be sold either face-to-face or by telephone but must not be sold on an execution-only basis.

Due to the nature of the product and the long-term affordability considerations, the Zurich Business Whole of Life product should only be sold on an advised basis.

Where an intermediary becomes aware of a change in the business's circumstances or as part of a regular customer review process, the intermediary should assess whether the product remains appropriate and suitable to meet the business's long-term needs and objectives. To support intermediaries, Zurich provides customers with annual statements detailing the current options they have and what changes can be made to their policy.



The target market

Customers that have a specified need for:

- A lump sum payout when a life assured dies or is diagnosed with a terminal illness, regardless of their age or changes to their health.
- Long-term planning giving certainty that, following the life assured's death, the intended beneficiaries / company will receive a financial settlement.

They'll also understand that:

- It's designed as a long-term commitment meaning they'll need to be prepared to pay premiums for the rest of the lives assured life to benefit.
- Missing premiums for two consecutive months will result in the policy ending and loss of cover with no refund of premiums.
- If the lives assured don't fully, honestly and accurately answer all the underwriting questions in their application, this could mean we won't pay out when a life assured dies, or we could pay a reduced amount.
- It's a long-term commitment and the real value of the payout could be impacted by inflation, unless Increasing Cover is chosen.
- It isn't an investment product and has no surrender or cash value.

Eligibility criteria for customers in the target market



Customers (lives assured) must:

- Be a UK resident with no current intention or plans to live abroad.
- Be aged between 18 and 83 for Single Life cover or between 18 and 69 for Joint Life First Death cover when applying for the product.
- Be registered with a UK doctor when the policy starts for at least six months before applying for the product.
- Allow access to their medical records during the application and claim process.
- Not be undergoing any medical investigations for unexplained symptoms when they apply for the product, which would impact our ability to offer acceptance terms.
- Not have any existing health conditions that is likely to mean they'll fail Zurich's underwriting requirements. This would include but may not be limited to customers who have already been diagnosed with a terminal illness or receiving palliative care.

Customers (policyholders) must:

- Be a UK resident, if they are an individual, with no current intention or plans to live abroad.
- Be registered or incorporated in the UK if they are a business.
- Pay the premiums from a UK bank account.

Likely needs of the target market

Lifetime business inheritance

Have a lifetime interest in a partnership or company and want to ensure the business has funds available to purchase any shares from the life assureds estate.

Key person protection

Want to protect the business should a key person die or be diagnosed with a terminal illness.

Available product options to support customer needs



Increasing cover

As a long-term product, the Increasing Cover option is suitable where the business needs to help protect against the impact of inflation and reduce the risk the sum assured being insufficient to meet their objectives and needs. This option is only available to be chosen when the policy starts.



Waiver of Premium

This optional benefit will only be suitable where the life assured is in a paid occupation. It meets needs of the business by protecting them against the risk of not having sufficient funds available to continue to pay premiums due to the life assured being unable to work due to illness or injury. This benefit is only available to a life assured who is age 54 or younger when the policy starts and will end the day before their 70th birthday. This option is only available to be chosen when the policy starts.



Trust options

Suitable to support businesses access to the proceeds of the policy to enable them to purchase a person's business interest from the lives assured estate or to cover a financial loss that may arise on a key person's death. We provide both a Flexible Business Trust and a Partnership Keyperson Trust to support customer needs.

Who the product won't be suitable for (non-target market)

The Zurich Business Whole of Life product will not provide the intended value to customers (Businesses) who:



- Want cover for a fixed term.
- Want an investment product or cash-in value.
- Need a lump sum to be paid if the lives assured are diagnosed with a critical illness.
- Need a monthly income if the lives assured can't work because of an illness or injury.
- Are unable to pay the premiums for the duration of the policy.

It will also not provide the intended value to the business where the lives assured:

- Are under the age of 18 or over the age of 83, or over the age of 69 if they want Joint Life First Death cover. These customers are outside of the age eligibility criteria.
- Have any unexplained, or existing health conditions that could affect their access to the product.
- Don't fully, honestly and accurately answer all the underwriting questions during the application.
- Don't provide consent to Zurich to access their medical records.
- Are at risk of death as a result of suicide or self-inflicted injury in the first 12 months of the policy.
- Decide to move abroad and reside in a country where we are unable to properly assess and manage their claim.

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