

# Aviva Premium Finance

## Target Market Statement



*This document has been prepared by Aviva UK General Insurance to provide an overview of our Commercial Lines Premium Finance product. The lender and manufacturer for the product will be Aviva Insurance Limited or Aviva Credit Services Limited.*

*This document is intended to help distributors understand the target market for this product, at new business and at point of renewal. In addition, distributors should consider whether any changes in circumstances may result in some features of the product no longer being suitable (for example distribution channel, features, communication method and changes which could affect ability to keep up with repayments).*

*Aviva Insurance Limited or Aviva Credit Services Limited is the Product Manufacturer for this product. Full details are contained within the credit agreement.*

### Eligibility Criteria?

- The borrower must be
  - a person over 18 years old who lives and carries on their business in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.
  - or a corporate entity registered to trade in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.
- The business must be registered and trade in Scotland, England, Wales, Northern Ireland, the Channel Islands or the Isle of Man.
- Customers must have an Aviva Commercial Lines insurance policy.

### Who is Aviva Premium Finance Insurance suitable for?

- This product is designed to allow customers to finance their premiums using a loan. It offers customers the option of spreading their annual payment across the term on a running account credit basis. The customer may need to pay an interest rate on the loan during this period.
- Aviva Premium finance will be available to customers who are eligible for an Aviva Commercial Lines policy.

### Who is this product not suitable for?

- The credit is to finance the insurance premiums under a policy or policies held with Aviva. The credit can only be used to finance these premiums therefore it's not suitable for use as a general credit facility.
- Customers will not be eligible for a commercial lines policy and the associated premium finance add on product, if a policyholder, director or partner involved with the business, or any other company or business has, in the last 10 years:
  - Been declared bankrupt or insolvent.
  - Been subject of bankruptcy proceedings or insolvency proceedings.
  - Been disqualified from being a company director.
  - Been the subject of a County Court Judgement.
  - Had an IVA or CVA or Sheriff Court Decree.
- Customers who cannot afford the monthly payments.

### How can Aviva Premium Finance be sold?

- Aviva Premium Finance insurance can be sold as an add-on to eligible Commercial Lines Insurance policies.
- This product can be sold with or without financial advice depending on your preference and in line with FCA regulations.
- Premium Finance is suitable for being distributed to customers by insurance intermediaries either face to face, via the telephone, or direct to customers online.

### What features should you be aware of when considering this product?

- The type of credit used to finance insurance under Aviva policies is running account credit. The credit agreement will be a regulated credit agreement under the Consumer Credit Act, if the borrower is an individual, including sole traders and partnerships made up of 3 or less partners who are individuals, unless the loan is over £25,000 taken out wholly or predominantly for business purposes.

- The credit will be unregulated if the borrower is a company, a partnership of more than 3 partners or a partnership made up of incorporated bodies, irrespective of the loan amount.
- The terms and conditions of this product are contained within the credit agreement and are supported by an 'Adequate Explanation' and 'Pre-Contract Credit Information'. These should be made available to the customer.
- Customers have the right to withdraw from this Agreement without having to give a reason. This right starts either a) on the day after the Agreement is made, or b) on the date you receive a copy of the executed Agreement, whichever is the later, and continues for 14 days from that day (the "withdrawal Period"). To withdraw customers must notify Aviva that they intend to do so within the withdrawal period. Customer that chose to withdraw will need to pay the premium due or their insurance policy will be cancelled.
- There are alternative payment options available when purchasing a product and individuals should consider which option is the best for their circumstances.
- We recognise that some individuals have additional support needs, such as alternative formatted documents, when purchasing or understanding our products. Aviva Insurance Limited is committed to helping meet these needs. Please contact us and we can discuss how to support the customer.
- Sales journeys must identify customer eligibility and ensure that key information and choices to be made are presented to customers in a way that supports a customer through the process of understanding that what they are signing up for suits their specific demands and needs.

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