

# Premium Finance

## Target Market Statement



*Aviva UK General Insurance have prepared this document to provide an overview of our Premium Finance product. It 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 payment method)*

*Aviva Insurance Limited will overlay some eligibility and risk acceptance criteria that will be applied and shown through the quote process. This will result in some customers for whom the product is suitable not being eligible due to our current credit risk appetite.*

*Aviva Insurance Limited is the Product Manufacturer for this product. Full details are contained within the Credit Agreement.*

### Eligibility

Customers must:

- Not be bankrupt.
- Be aged 18 or over.
- Be in an individual's name.
- Meet our affordability criteria.

### How can Premium Finance be sold?

- Premium Finance is suitable for being distributed to customers by insurance advisors via telephone, online or through price comparison websites.
- This product can be sold without financial advice.

### Who is Premium Finance suitable for?

- Premium Finance is designed for individual customers including sole traders, over the age of 18, providing them with an option to spread the cost of their insurance policy with a loan.
- Premium Finance is designed for customers who would like to finance their insurance premiums for a policy or policies they have with us.
- Customers who reside within the United Kingdom, Channel Islands and the Isle of Man.
- Customers who can afford the monthly payments.

### Who is Premium Finance insurance not suitable for?

- This credit is to finance the insurance premiums under a policy or policies customers have with Aviva. The credit can only be used to finance these premiums so it is not suitable for use as a general credit facility.
- Customers who cannot afford the monthly payments.
- Customers who do not wish to enter a running account Credit Agreement.
- Customers who reside outside of the United Kingdom, Channel Islands and the Isle of Man.
- Customers under the age of 18.

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

- 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 our 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 if the finance option suits their specific demands and needs.
- Paying monthly will incur an interest charge, and customers need to be made aware that paying monthly will cost more. Consideration should be given to affordability of monthly premiums.
- 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. Customers that chose to withdraw will need to pay the premium due or their insurance policy will be cancelled.
- Missing Payments could have severe consequences and make obtaining credit more difficult. It could also result in the cancellation of any insurance policy that the premium finance is funding.
- Customers can settle their loan early at any point during the term of the Credit Agreement.
- 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. The terms and conditions of this product are contained within the credit agreement and is supported by an ‘Adequate Explanation’ and ‘Pre-Contract Credit Information’. These should be made available to the customer.