This document is for insurance intermediaries/brokers only and must not be provided to customers.

TUITION

Target Market Statement

This document is created for advisers and distributors to give information in relation to the target market and distribution arrangements for the product. It is intended to provide guidance on the appropriateness of the product for certain customers, what they can take from it, and detail those for whom it would not provide good outcomes. Ageas's intent is for this document to meet the requirements under the FCA PROD rules.

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1 Our intended customer(s)

Who they are (i.e. their characteristics):

- They are between the ages of 21 and 70.
- Customers that require Comprehensive cover.
- Customer that require annual cover (12 months).
- Customers teaching driving instruction to individuals, either under their own name or in a company name.
- They have a privately owned private car valued between £1 to £25,000.
- They have been a resident of the UK, NI or Channel Islands for at least three years.
- Holds a Full UK private car licence, along with either a PDI (Potential Driving Instructor) or ADI (Approved Driving Instructor) grade A or B.
- They must not have had any more than one previous fault accidents and/or theft claims in the preceding three-year period.
- No more than six penalty points in the last three years.
- They must be able to meet the affordability thresholds in place. (i.e. they can afford to pay the annual or monthly premiums for the full 12 months).

Why they are buying insurance (in order of importance):

1. It is a legal requirement under UK law to drive/store their vehicle on the public road.
2. To avoid costs if the vehicle is damaged.
3. To avoid liability if others are injured as a result of the vehicle being driven by the insured or any allowed drivers.
4. To cover against theft of vehicle and theft from vehicle, as well as fire protection.

What they want from it:

- Sufficient cover to meet RTA requirements whenever they use the vehicle.
- They would like comprehensive in order to protect against loss or damage to their vehicle (and having to otherwise bear the cost of repairs/replacement).

- A balance between price and cover; and
- An easy and supportive claims journey.

2 What the product offers the customer

Features:

- Ageas Optima Tuition Private Car fulfils the legal requirements of insurance, and holding a policy will meet the requirements of the RTA.
- Ageas Optima Tuition Private Car offers Comprehensive cover for the standard perils of accidental damage, malicious damage, fire, and theft. Comprehensive covers damage and injury to a third party (above the level required by the RTA) if the driver is found to be at fault.
- Ageas Optima Tuition Private Car can be used for Social, Domestic and Pleasure (including commuting to a place of work) for the policyholder and named riders, along with Class 1, Class 2, Class 3 and Driving Tuition use.

What is our sales pitch to customers (i.e. why us?)

Ageas Optima Tuition Private Car is an open market private car insurance product (available to brokers on the software house where it is built) that offers Comprehensive cover tailored to the needs of customers providing driving introduction - whether operating under their own name or a company. It's designed specifically for tuition use, protecting vehicles against standard insurance perils while recognising the unique demands of instructors. The product balances the day-to-day cover instructors need with competitive pricing. It is backed up by award winning customer and claims services. For example, Ageas won 'Claims Service Solution of the Year - General' at the Insurance Times Claims Excellence Awards 2022, for its Green Parts Programme, and has been recognised by the ICS for our excellent level of customer service. The quote journey has been tailored specifically to driving instructors beyond the normal private car question set, allowing for more accurate pricing, resulting in lower premiums to many customers.

3 How the product can be distributed to customers?

- Ageas Optima Tuition Private Car can be transacted through two brokers at present (these two brokers are able to access the software house where this product is built).
- This product is sold over the phone and face to face, due to the advanced question set.
- This product is sold advised and in line with FCA regulations.

4 Groups of customers to be aware of and monitor to ensure good outcomes:

- Customers with a low value vehicle, typically <£500. A combination of excesses (either compulsory or voluntarily chosen) may mean we are unable to offer a repair or provide a settlement as the excess exceeds the value of the vehicle. Policy value would need to be justified via other means.
- Vulnerable customers, ensuring their circumstances don't lead to a lower level of value.

5 Customers to whom we should not be selling this product

- Drivers who only require Third Party, Fire and Theft, or Third Party Only cover. This is not available on Ageas Optima Tuition Private Car, and these customers would be better suited looking for specific products that cover these items only.
- Drivers of vehicles valued at more than £25,000. These customers may be better suited to specialist high-value vehicle policies offered within the market.
- Customers who intend to rent out their vehicle to another party or intend to use the vehicle for other hire purposes, such as a courier or delivery driver. These customers may be better suited to specialist hire and reward policies offered within the market.
- Customers that reside/teach in Northern Ireland, Jersey, Guernsey and the Isle of Man.

6 Behaviours/practices on this product that could cause harm?

- As price is a key objective for this product, indicators that this is too high for the benefit provided would suggest customer harm. For example, a GLR below 30%, or a commission over 30%, would be a trigger. Commission is currently fixed at 17.5%.

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