

Commercial Vehicle

Introductory statement

FCA Product Intervention and Product Governance Sourcebook rules (“PROD”) require product manufacturers such as Intact Insurance to share information with distributors about the intended target market for their products.

This Target Market Statement explains the types of customers our product is designed for, types of customers for whom it would not be suited and how we expect it to be distributed. It is not intended for customers or operational sales staff.

In many instances, customers may have need for more than one product and they may then be offered a combination that would be compatible with those needs, subject to the eligibility criteria for each product. They should not be offered combinations of products that do not provide fair value.

Risks of customer harm can be avoided by ensuring the customer’s needs, objectives, interests and characteristics are met by the product and coverage selected, taking into account and adjusting for any aspects that may make them vulnerable customers (e.g. poor health, resilience or capability).

Target market – target customer statements

Target market needs statement

This policy meets the needs of customers with light commercial vehicles with a legal obligation to insure for use on the roads and who have retained the services of a professional insurance intermediary to advise them.

These customers will require protection for either comprehensive or third party, fire and theft risks, as outlined below.

Target market objectives statement

Our target market seeks to be covered to ensure they are able to comply with the law as well as certain other risks to protect their vehicle from damage. This risk transfer enables more effective use of business capital and management resources and helps fulfil the business’s obligations to employees, customers and wider society.

Target market interests statement

Our target market is looking for a product that allows some flexibility in cover, but has simplicity of being an e-traded solution built in to cater for most needs.

Target market characterisation statement

The majority of risks underwritten by Intact Insurance under this product are UK-based owners of vans and other light commercial vehicles who retain the services of a professional insurance intermediary.

Distribution

This product is only available through professional intermediaries. It can be sold with or without advice. We suggest it can be sold face to face or via the internet or telephone.

Target market – target compatible customer groups

Who this product is for	Who this product is not for
UK-based customers	Customers based outside the UK
Customers with only a single vehicle, up to 3.5 tonnes Gross Vehicle Weight (GVW)	Customers with multiple vehicles, although they could either buy additional Commercial Vehicle policies or opt for MiniFleet or Fleet products
Customers whose vehicle is taxed, has a valid MOT and not registered SORN	Customers whose vehicle is not legally on the road
Customers whose vehicle has not been adapted, converted or modified	Customers whose vehicle has been adapted, converted or modified, e.g. converted motorhomes, minibuses
Customers who require either social, domestic and pleasure use (with or without commuting) or carriage of own goods	Customers who carry goods that are not theirs, e.g. couriers or delivery drivers
Customers who require only Comprehensive or TPFT cover	Customers who require add on products such as Motor Legal Protection, Guaranteed Hire Vehicle or Motor Breakdown; some of these may be able to be bought as freestanding covers separately
Customers who are able to list named drivers only, that are aged 25 and above	Customers who require cover for more than 3 additional drivers plus the insured, or 3 named drivers if the insured is a company Cover for drivers younger than age 25
Customers interested in transferring financial risk by insuring with an A rated insurer (A2 Moody's)	
Customers from a wide variety of trades e.g. builders, carpenters, plumbers, etc.	Customers who are operating as couriers or delivery drivers

Available covers

This is a modular product that allows intermediaries to create a commercial insurance solution tailored to the customer. The following covers are available:

Cover	1. Third party, fire & theft	Mandatory?	Yes
	Cover for liability to third parties (including passengers) in respect of compensation for injury or damage, legal costs and emergency treatment and for loss of or damage to the vehicle caused by fire, theft or attempted theft		
Cover	2. Comprehensive	Mandatory?	No
	Cover as third party, fire and theft plus damage to the vehicle and windscreen repair or replacement		