

Product: Term Life

Manufacturer Information
Product information
<p>Term life insurance is a defined, one off lump benefit that pays the beneficiaries of the policyholder if they die during a specified period of time up to 10 years.</p> <p>These policies have no value other than the guaranteed death benefit and feature no savings component as is found in a whole life insurance product.</p> <p>Premiums are paid at a level amount (monthly or annually) throughout the policy period.</p> <p>The product was designed to cater for high or unusual risks that challenge the conventional market e.g. larger limits, medically impaired lives, expatriates, risky professions etc.</p> <p>If the policy period end is reached and the policyholder is still alive then no payment or refund is made.</p> <p>TMK has written no new policies since 2017 when Syndicate 308 was placed into run off.</p>
Target market
<ul style="list-style-type: none"> • Individuals aged 18-71 who wished to provide a tax-free cash lump sum to their dependents in the event of their death. • In the case of Key man cover where not purchased as an employee benefit, the policy was to financially support a business with a lump sum of cash in the event of the loss of a key employee. • Policies are primarily with customers who were not eligible to purchase term life assurance from mainstream markets as a consequence of their underlying health or medical conditions, their job or the territories in which they were living/working.
Types of customer for whom the product would be unsuitable
<ul style="list-style-type: none"> • Customers seeking an unlimited term (a Whole of Life policy) product or a product to pay out if they are unable to work for a period of time. • Customers who already hold adequate life insurance cover or funds to cover any outstanding loan or to provide financial support to their family (or business). • Customers seeking cover for a period greater than 10 years. • Customers seeking a savings element to their plan and the ability to cash it in. • Customers in territories where Lloyd's does not have a license to write direct life business.
Any notable exclusions or circumstances where the product will not respond
<p>Limitations</p> <p>There is no cash surrender value to the policy</p> <p>Exclusions</p> <ul style="list-style-type: none"> • Death by Pre-existing conditions that were not disclosed at the time of underwriting • Some accidental death coverage may include exclusions for suicide, alcohol or drug related death. In the case of natural causes only policies, accidental death is excluded • Death from active participation in war <p>Limits of Liability</p> <ul style="list-style-type: none"> • Single lump sum per individual policy in the event of covered death

Other information which may be relevant to distributors	
<p>This product has not been sold since 2017 however as policy periods can extend up to 10 years of term and premium is still being collected for in-force policies, this product still remains in scope for review from an ongoing value and customer service perspective.</p> <p>Where Distributor 1 sells this Product via multiple other distributors (via sub-delegation or sub-brokering), it is their responsibility to ensure all distributors have been provided this document, have reviewed it and understand the content. If there is any additional remuneration, including commissions, fees or other 'non-standard' remuneration charged to the customer by other distributors, it is the responsibility of Distributor 1 to inform TMK of these details accurately and in full.</p> <p><u>Commission & Fees</u></p> <p>The coverholder is expected to ensure that maximum commission rates do not exceed those stipulated within the Binding Authority Agreement.</p> <p>Brokers are reminded of their own regulatory obligations in relation to remuneration under PROD 4.3.6, and PROD 4.6.8 as well as the requirements to make all necessary disclosures to the customer.</p> <p><u>How value is assessed</u></p> <p>Value is assessed based on a number of metrics, including lapse, claims and complaints information as well as through broker and coverholder engagement.</p> <p>Remuneration paid as set out in our agreements with distributors has been considered as part of the value assessment.</p> <p>Further information on our product approval processes can be obtained on request.</p>	
Date Fair Value assessment completed	February 2024
Expected date of next assessment	February 2025