



# Target market statement

## NatWest Group

As a company that provides insurance products (product manufacturer), there are rules we need to follow – including being open about who we want to buy the products we offer. These target market statements help clear some of that up and make sure we're meeting [Insurance Distribution Directive \(IDD\) and FCA PROD 4 regulations](#).

Doing the right thing is important to us. So each statement says who a product is and isn't designed for and what type of adviser should sell it. Rest easy knowing our products regularly go under the spotlight to ensure good customer outcomes and fair value.

This document provides information on the NatWest Group (NWG) Life Insurance and Guaranteed Sixty-Plus Life Insurance target market. More information about the policy features and benefits can be found in the Key Facts and Cover Details documents available on their [website](#).

This document is intended for use by advisers only.

### Life Insurance

#### What is it?

NWG Life Insurance pays a lump sum if the person covered dies or is diagnosed with a terminal illness over the policy term.

#### Who can apply for cover?

The person applying for cover must reside in the UK and be between ages 17 – 86.

You can check the Cover Details or the [NatWest Group website](#) for more information on who can apply for the cover.

#### Who is it designed for?

NWG Life Insurance is designed for those needing to protect against the financial impact of their death or a terminal illness diagnosis during the term of cover.

We'd expect this to suit those responding to life events such as but not limited to, purchasing a home or starting a family so they can minimise the impact of death or terminal illness diagnoses on their loved ones. Plans can be set up on an own life or joint life first event basis.

At time of application, customers must choose whether they need level, increasing or decreasing cover:

- Level cover – if they need a fixed sum that's unlikely to change
- Increasing cover – if they need to protect against the impact of inflation
- Decreasing cover – if they need to protect decreasing debts like a repayment mortgage.

AI&G specialise in providing insurance that helps people experiencing tough times in life. NW&G Life Insurance provides features and services that can help, these are:

- Mortgage guarantee for decreasing cover – pays the difference between the insurance amount and the outstanding mortgage, if the difference is only due to the annual interest rate on the mortgage being higher than 8%, thereby helping the policyholder to realise the dream of home ownership
- Terminal illness – pays the full sum assured if the person insured has been diagnosed with a terminal illness where the life expectancy is 12 months or less, thereby providing support to the policyholder’s loved ones or their financial responsibilities, such as a mortgage
- Claims support fund – pays for services that support the person insured or their family, e.g. bereavement counselling.

### **Who this cover isn’t suitable for**

NW&G Life Insurance isn’t designed for those customers:

- who intend to reside outside the UK
- needing a monthly income if they can’t work due to illness or injury
- needing a lump sum of money if they receive a critical illness diagnosis
- with sufficient Life cover either through a Group employer arrangement or through another insurer
- without dependents or who wouldn’t leave financial obligations to any dependents upon their passing (e.g. without a mortgage) as they may not have a life trigger to consider this product
- needing cover on a whole of life basis
- outside of the age eligibility range
- needing a policy with a cash in value.

### **Distribution strategy**

Life Insurance is for non-advised direct to consumer distribution, either online or over the phone. The

distribution chain includes NatWest Group, which is a specified insurance partner who operates in a distributor capacity, and in turn, receives commission.

## **Critical 3 with Life Insurance**

### **What is it?**

NatWest Group Critical 3 with Life Insurance helps protect an individual when they die or are diagnosed with a terminal illness or a critical illness. It pays a lump sum in such cases to the owner of the plan. It’s available on a level, decreasing, and increasing sum assured basis.

### **Who can apply for cover?**

The person applying for cover must be between ages 17 – 75 and have indefinite leave to remain in the UK; or is an EU or EEA national living in the UK; or has resided in the UK for the last 12 months, live there permanently and will continue to do so.

You can check the Cover Details on the [NatWest Group website](#) for more information on who can apply for cover.

### **Who is it designed for?**

NW&G Critical 3 with Life product is for those who would like to use the lump sum to pay off a mortgage, provide a legacy or financial protection for a family member or friend.

We’d expect this to suit those responding to life stage triggers, such as purchasing a home or starting a family, so they can minimise the financial impact of death, terminal illness or critical illness on themselves or their family. It may be suitable for those with other financial or personal circumstances but who still wish to minimise the impact of death, terminal illness or critical illness on themselves or their financial dependents. They’d like to use the lump sum to pay off a mortgage, provide a legacy or financial protection for a family member or friend and may not wish to take out a comprehensive Critical Illness policy. Such individuals are likely to have a broadly positive outlook to protection and may be conscious of the need for it, but not hold

many individual protection products. It's also suitable for those who don't need the flexibility of being able to alter the sum assured or length of the policy term once the plan has begun.

NWG Critical 3 with Life Insurance can provide protection that meets a variety of different needs. All customers must choose from the following options at time of application:

- Whether their cover should remain level or decrease annually
  - Level cover – for those who need a fixed sum that's unlikely to change
  - Increasing cover – for those who need to protect their sum assured against inflation
  - Decreasing cover – for those who need to protect decreasing debts like a repayment mortgage, with an interest rate of 8% as the available option.

AIG specialise in providing insurance that helps people experiencing tough times in life. NWG Critical 3 with Life Insurance product provides features and services that can help, these are:

- Terminal illness benefit will pay the full sum assured if the life covered has been diagnosed with a terminal illness where the life expectancy is 12 months or less, thereby providing support to the policyholder's loved ones or their financial responsibilities, such as a mortgage
- Claims support fund pays for services that support the person insured or their family, e.g. bereavement counselling.

### **Who this cover isn't suitable for**

The NWG Critical 3 with Life Insurance product isn't designed for those customers:

- who don't intend to reside in the UK, Channel Islands, Isle of Man or Gibraltar
- needing a monthly income if they can't work due to illness or injury
- needing cover for critical illnesses beyond cancer, heart attack or stroke

- with sufficient Life cover either through a Group employer arrangement or through another insurer
- without dependents or who wouldn't leave financial obligations to any dependents upon their passing (e.g. without a mortgage) as they may not have a life trigger to consider this product
- needing cover on a whole of life basis
- outside of the age eligibility range
- needing a policy with a cash in value.

### **Distribution strategy**

White label product for non-advised direct to consumer distribution, either online or over the telephone. The distribution chain includes NWG, which is a specified insurance partner who operates in an arranger capacity and in turn, receives commission.

## **AIG's NWG Guaranteed Sixty-Plus Life Insurance**

### **What is it?**

NWG Guaranteed Sixty-Plus Life Insurance helps protect an individual by paying a lump sum payment when the person covered dies. All eligible customers are guaranteed to be accepted. There are no optional benefits available with this cover. It's available on level and increasing sum assured basis.

### **Who can apply for cover?**

The person applying for cover must be between 60-80 years of age and must be a UK resident.

You can check the Cover Details, on the [NatWest Group website](#) for more information on who can apply for the cover.

### **Who is it designed for?**

NWG Guaranteed Sixty-Plus Life Insurance is designed for those who wish to leave a small sum of money to loved ones when they die without having to undergo the underwriting process to purchase life insurance.

We'd expect this to suit those who are empty nesters (and singles); they may be working or early retirees with mid-level incomes (from all sources), with mortgage paid off and lower major outgoings. They may have a broadly positive outlook on insurance but are conscious of health issues and would therefore prefer a guaranteed product. It can also suit those needing to plan for the life stage they're in which may be where they're making IHT arrangements to mitigate the impact of their death on their family. The benefit amount can also be put towards funeral expenses or used as gift or legacy payment. The customer would only need to pay premiums until they turn 90 years old. The cover continues until the time of death and the product is available on a single life basis only. If the person covered dies during the first two years of cover, they'll only receive one and a half times the premiums paid to date rather than the full policy benefit; unless the person dies as the result of an accident, in which case three times the premiums paid to date will be paid. These limitations allow AIG to guarantee acceptance for all applicants without having to undergo the underwriting process, so they can leave a small sum of money to loved ones.

All customers must choose from the following options at time of application:

- Level cover – if they need a fixed sum that's unlikely to change
- Increasing cover – if they need to protect the sum assured against the impact of inflation.

AIG specialise in providing insurance that helps people experiencing tough times in life. NWG's Guaranteed Sixty-Plus Insurance product provides features and services that can help, these are:

- The protected benefit feature – this is a built-in feature available to all eligible policyholders. A protected amount (payable on death) will be made if the customer has stopped paying premiums but they've paid at least half the premiums due over the payment term to age 90, therefore suiting customers over 60 years of age who may not have the financial means to continue paying the premiums
- Accidental death benefit – pays three times the benefit amount if person covered dies during the first two years of the policy due to an accident.

### **Who this cover isn't suitable for**

The NWG Guaranteed Sixty-Plus Life Insurance product isn't designed for those customers:

- who intend to reside outside the UK
- who need a lump sum of money if they receive a critical or terminal illness diagnosis which they may use if they needed to protect their loved ones or a mortgage
- who need a monthly income if they can't work due to illness or injury
- who only need cover for a specified term
- who are outside of the age restrictions set under the cover
- needing a sum assured more than the limits set under the cover
- who need a policy with a cash in value
- who don't have a financial need to provide for any expenses or legacy after their death.

### **Distribution strategy**

It's for non-advised direct to consumer distribution, either online or over the phone. The distribution chain includes NWG, which is a specified insurance partner who operates in a distributor capacity, and in turn, receives commission.



[www.aiglife.co.uk](http://www.aiglife.co.uk)