



Target market statement

Skipton Building Society

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 Skipton Building Society's (SBS) Life Insurance and Critical 3 with 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?

SBS 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 [Skipton Building Society website](#) for more information on who can apply for cover.

Who is it designed for?

SBS 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.

AlG specialise in providing insurance that helps people experiencing tough times in life. 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 the cover isn't suitable for

SBS 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 death (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

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

SBS Critical 3 with Life Insurance

What is it?

SBS 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 reside in the UK and be between ages 17 – 75.

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

Who is it designed for?

SBS Critical 3 with Life Insurance product is for those who'd 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 limit 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. 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.

SBS 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. SBS 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 covered or their family e.g. bereavement counselling.

Who this cover isn't suitable for

The SBS Critical 3 with Term 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 death (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

SBS Critical 3 with Life Insurance is for non-advised direct to consumer distribution, either online or over the phone. The distribution chain includes SBS, which is a specified insurance partner who operates in a distributor capacity, and in turn, receives commission.



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