

## Diabetes Life Cover Target Market

Product Name	General Product Description	Additional Comments (if applicable)
Diabetes Life Cover	Long term pure protection single life assurance plan aimed at customers with either Type 1 or Type 2 Diabetes Mellitus. Includes fast-track application process, capped premiums plus the option to reduce monthly premiums if the customer improves control of their condition.	The target market is customers with Diabetes Mellitus, many of whom will have been put off attempting to purchase life insurance due to lengthy and onerous underwriting experiences (usually relating to the poor experiences purchasing travel insurance).
Customer Type		
Personal Protection	Yes	<ul style="list-style-type: none"> <li>Our primary target market is all T1s and T2s with higher HbA1c (ie above 7%). This group make up over 80% of the diabetic community.</li> <li>DLC is suitable for all diabetics , but is most beneficial for Type 1s and less well controlled Type 2s (HbA1c&gt;7%) because they <u>also</u> benefit from: <ul style="list-style-type: none"> <li>Fast-track immediate acceptance</li> <li>Capped Premiums</li> <li>Ability to reduce premiums if condition improves</li> </ul> </li> </ul>
Business Protection	No	No – Negative Target Market: product should not be sold for Business Protection purposes
Demographic Factors		
Age	18 – 89 (attained)	
Sex	All	
Income/Social Grade	Earning Potential Growth Phase Single Earners Money Makers Career Experience	
Family Background	Suitable for individuals, couples and families who want to insure themselves against financial hardship in the event of the insured's death.	

Literacy capabilities	Literate	
Health Background	Customers must have Type 1 or Type 2 Diabetes	Negative Target Market: product should not be sold to customers who do not have Diabetes.  Customers with well controlled Type 2 Diabetes (HbA1c <7%) may be able to access standard Term products with no underwriting requirements.
<b>Ability to Bear loss</b>		
Mortgage /Debt/ Loan repayment	Yes – if protection required for a specified term.	Negative Target Market: product should not be sold to customers seeking decreasing term cover or whole of life cover.
Life Changing Event	Negative Target Market: product should not be sold to customers looking to insure themselves against financial hardship following a life changing event or diagnosis.	
Unable to work for a prolonged period	Negative Target Market: product should not be sold to customers who need to ensure they can pay their bills if they are unable to work for a long period due to illness or an accident.	
<b>Product Complexity</b>		
Low		
Low-Medium	The product itself is a simple level term life product, where the sum assured is paid in the event of insured's death or diagnosis of a Terminal Illness.	The complexity relates to requirement to validate their initial HbA1c level and option to participate in on-going adherence (non- mandatory) which can result in a premium reduction
Medium		
Medium to High		
High		
Any impact of charges?	N/A	
Any tax status implications?	N/A	

<b>Client Objectives and Needs</b>		
Death/TI	Yes	
Life Changing Event	No	
Unable to work for extended period	No	
Time Horizon	Selected Term (1 – 72 years)	
Maturity Date	End date selected	
<b>Distribution Strategy</b>		
Execution Only	No	No – Negative Target Market: product should not be sold on an Execution only basis
Non-Advised Sale	Yes	Model adopted by majority of Remote, Risk Specialists and Mortgage Brokers
Fully Advised Sale	Yes	Model adopted by General Practitioners

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