Fair Value Assessment Report

Distributor	Strategic Insurance Services Ltd
Product	Excess Protection (combined review of home/motor excess products)
Date FVA completed	30/04/2023
Date of next review	30/04/2024
Approved	Underwriting and Product Governance Committee – Collinson/Astrenska Insurance Ltd

**Products are continously monitored in accordance with AIL product oversight and governance policy. Certain material changes to the product features or performance may require a FVA to be completed prior to the annual review date.*

Outcome of Fair Value Assessment

AIL/Strategic Insurance has determined that through its product governance activities that:

- *Review of the product indicates it is meeting the intended customer outcomes and providing fair value to customers*

There may be points we wish to discuss further with you as a sub-agent, and we will engage with you on those topics where appropriate.

Fair Value Assessments

The FVA considers the performance of the product against the following criteria in particular:

Product Features & Performance	- Product key features, including any amendments - Target market review - Customer insight - Market Analysis - Claims frequency and outcomes - Loss ratio
Price	- Risk premium - Distributor costs and margin - Other charges/fees
Customer Experience & Service Delivery	- Claims service metrics - Operational service metrics - Complaints - Audit/monitoring findings/risk events - Outcomes of previous FVA - Distribution and channel characteristics

Overview

Product Information	Once the insured has purchased the relevant Excess Protection policy to go alongside their main motor / property insurance policy, in the event of a successful claim on the main insurance, the Excess Protection would look to reimburse the customer the excess they are liable for under the motor / property policy. This gives the insured peace of mind, regardless if they have a voluntary or compulsory excess, that they will be able to claim this back and not be out of pocket for a high excess amount.
Target Market	This is a Personal Lines General Insurance product suitable for individual consumers and SMEs. This product is designed to offer customers flexibility to tailor a package of cover to meet their needs. This product is designed to provide customers with financial protection against a loss they would incur for the value of their excess following a claim on their motor or property insurance policy. Excess Protection designed for mass market consumers who own and insure a car / van or property and who wish to protect themselves against the cost of having to pay their excess in the event they need to make a motor or property insurance claim.

	Who is this product not designed to support, or are there any features that distributors should be aware of when offering this product to customers? - Customers who do not live in the UK - Customers who have nil excess on their motor / property insurance policy - Customers who do not hold a driving licence (motor variant) - Customers who do not own their property (property variant) It has been agreed that this product will be sold without advice. The only degree of complexity relates to the customer selecting a level of excess cover that does not exceed the value of the excess on their core motor insurance policy. This choice is sufficiently simple for customers to understand without advice. This product can be sold via the telephone or online alongside core motor / property insurance policies. Eligibility - customers must: - be a UK resident - be purchasing the insurance while in the UK
Key Benefits	Motor Excess - Cover is provided for the Excess that You are responsible for following the successful settlement of any loss, destruction or damage claim for Your Motor Vehicle under Your Motor Policy in respect of claims arising as a result of accidental damage, fire, theft, or vandalism. Where You were at fault the claim will be settled when We are in receipt of the settlement letter from Your Motor Insurer. For claims where You are deemed either partially at fault or not at fault if Your Excess is not recovered from the third party within 6 months from the date of Incident We will reimburse any Excess payment for which You have been made liable up to the Annual Aggregate Limit insured under the policy. - Cover will only operate when the Excess of Your Motor Policy is exceeded and following the successful claim payment. - The maximum amount payable under this policy will be the Annual Aggregate Limit as shown in Your Certificate of Insurance. Once the Annual Aggregate Limit is exhausted this policy is automatically cancelled and You are then liable for all and any future Excess payments as defined in Your Motor Policy. Home Excess - Cover is provided for the Excess that You are responsible for following the successful settlement of any claim for Your home and/or contents under Your Home and/or Contents Insurance Policy. - Cover will only operate when the claim amount exceeds the excess of your Home and/or Contents Insurance Policy and following the successful claim payment. - The maximum amount payable under this policy will be the Annual Aggregate Limit as shown in Your Certificate of Insurance. Once the Annual Aggregate Limit is exhausted this policy is automatically cancelled and You are then liable for all and any future Excess payments as defined in Your Home and/or Contents Insurance Policy.
Notable Exclusions	Motor Excess The primary scenarios where the product would not respond, including exclusions and restrictions, are outlined within the IPID and the policy wording, with examples provided below: - Any claim that Your Motor Policy does not respond to, or the Excess is not exceeded. - Any claim that is refused under Your Motor Policy. - Any claim where the Motor Vehicle is being used: - for commercial use, business use class 3 or hire and reward unless Your Motor Vehicle has been declared a BUSINESS CAR, COMMERCIAL VEHICLE, or a TAXI, - for any purpose in connection with the motor trade, - in any competition, trial, performance test, race or trial of speed, including off-road events, whether between motor vehicles or otherwise, and irrespective of whether this takes place on any circuit or track, formed or otherwise, and regardless of any statutory authorisation of any such event. - Any claim arising from glass repair or replacement.

	- Any claim arising from breakdown or misfuel. - Any contribution or deduction from the settlement of Your claim against Your Motor Policy other than the stated policy Excess, for which You have been made liable. - Your Motor Policy must be maintained, current and valid. - The Insured Person must match the name of the individual stated on Your Motor Insurance Policy. - You and any Named Drivers must have a current, valid UK driving licence or hold a full internationally recognised licence. - The Excess Protect Cover will continue to respond for the Period of Insurance or until Your chosen Annual Aggregate Limit on this Excess Protect Cover is exhausted; whichever comes first. - This insurance is only valid if You are a permanent resident of the United Kingdom (England, Wales, Scotland, Northern Ireland, Channel Islands and the Isle of Man). - Other Insurance - if You were covered by any other insurance for the Excess payable following the Incident, which resulted in a valid claim under this policy, We will only pay Our proportionate share of the claim. Home Excess - Any claim that Your Home and/or Contents Insurance Policy does not respond to or where the claim amount does not exceed the Excess of Your Home and/or Contents Insurance Policy. - Any claim that is refused under Your Home and/or Contents Insurance Policy. - Any claim under Your Home and/or Contents Insurance Policy which occurred prior to the Period of Insurance as shown on Your Certificate of Insurance that You were aware was an Imminent Claim. - Any claim notified to Us more than 31 days following the successful settlement of Your claim under Your Home and/or Contents Insurance Policy. - Any contribution or deduction from the settlement of Your claim against Your Home and/or Contents Insurance Policy other than the stated policy Excess, for which You have been made liable. - Any claim resulting from subsidence, landslip or heave - Any claim arising from war and/or terrorism - Your Home and/or Contents Policy must be maintained, current, valid and provided by your selling broker. - You must permanently reside in the United Kingdom - Your Home and/or Contents Insurance Policy must either be in Your name or the name of Your Partner with You named on the schedule - The Excess Protect Cover will continue to respond for the Period of Insurance or until Your chosen Annual Aggregate Limit on this Excess Protect Cover is exhausted; whichever comes first. - In the event that any misrepresentation or concealment is made by You or on Your behalf in obtaining this insurance or in support of any claim under this insurance the policy is voided and no refund of premium will be given. - Other Insurance - if You were covered by any other insurance for the Excess payable following the Incident, which resulted in a valid claim under this policy, We will only pay Our proportionate share of the claim.
Vulnerable Customer Assessment	Customer needs (including vulnerable customers) are identified through initial customer research and development of the products. Products are implemented through a product development, approval and review process that considers the 'customers' best interests throughout, taking account Consumer Duty obligations. *Training to those in customer facing roles to help them identify customer activity or behaviour that may indicate vulnerability and enhances the ability to gather further information from customers to understand their individual needs.*
Distribution	Strategic act as the intermediary/wholesaler and have no direct contact with the end customer. Retail brokers are responsible for all sales, marketing and policy administration, premium collection including both at new business stage and renewal stage, as well as MTA's.