Fair Value Assessment Report

Distributor	Strategic Insurance Services Ltd
Product	Home Emergency (Landlord Add-On)
Date FVA completed	29/06/2023
Date of next review	29/06/2024
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	Landlord Home Emergency offers cover for assistance in the event of an emergency occurring within a property owned by a landlord and let out to a tenant(s). The product provides a 24-hour assistance helpline and access to a range of suitable tradespeople to assist in the event of different types of emergencies (such as central heating breakdown, burst pipes, drainage issues, pest infestation & failure of electrical supply. It covers the provision of assistance & the cost incurred up to a set monetary value. It covers the provision of assistance & the cost incurred up to a set monetary value. The product is aimed at landlords who own non-commercial properties (typically houses) which are let-out to tenants for the purposes of them living in.
Target Market	What is this product? This is a Personal Lines General Insurance product suitable for individual consumers who are landlords. This product is designed to offer customers flexibility to tailor a package of

	cover to meet their needs. What customer needs are met by this product? This product is designed to provide customers with financial protection and assistance for a variety of different types of property related emergencies for their let properties. Who is this product designed for? This product is designed for mass market consumers who wish to protect themselves against the inconvenience of needing to source their own contractor in the event of needing to deal with a home emergency situation for their let properties, as well as the financial loss involved in doing so. 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? - Owner occupiers of a property - Those who leave their property unoccupied for more than 30 days - Customers who require a full & permanent repair to their boiler or property maintenance - Customers who own properties used for bedsits or sub-letting / multiple occupancy Can this product be sold without advice? It has been agreed that this product will be sold without advice. The product is sufficiently simple for customers to understand without advice. How can this product be sold? This product can be sold via the telephone or by online broker websites at the point a customer is purchasing property insurance. Sales journeys must identify customer eligibility and ensure that key information is presented to customers in a way that supports a customer through the process of understanding the cover and exclusions. Eligibility - Customers must: - be the owner of the property they are letting out and wish to be covered by HEC - be purchasing the insurance while in the UK - be purchasing this product alongside building insurance
Key Benefits	- We will pay up to a maximum as detailed on your let property emergency schedule for any one claim including VAT, call-out charges, labour, parts and materials - Bursting or sudden leakage of water pipes within your let property or failure of your domestic hot water system. - Failure of or damage to underground drains or sewers. - Complete failure of your mains services for which you are legally responsible. - Complete failure of your central heating system involving a boiler. - Damage to, or mechanical failure of, the only accessible toilet or cistern in your let property which means it cannot be used. - Removal of wasp, field or house mice or brown rat infestations within your property. - Break-in or vandalism compromising the security of your let property. - Emergency, temporary repairs following damage to your roof which is causing internal water damage. - The let property has been made insecure due to the external locking mechanism(s), doors, or windows, which have either failed completely or have been damaged. - Loss of, or damage to the only available key to your let property, or if you are unable to access your let property due to a failure or damage to the external locking mechanism. - If an emergency covered by this policy means you cannot live in your let property, we will arrange and cover the costs of reasonable overnight accommodation up to a total of £250. Please note that this coverage is limited to accommodation expenses only.
Notable Exclusions	- An emergency which happens before the period of insurance or within 14 days of the first start date of this policy. This exclusion does not apply at renewal. - The Excess that is detailed on your schedule. - Dripping taps, burst or leaking flexible hoses or leaking washing appliances which are fitted with a stop tap.

	- Slow leaks from joints or gaskets which does not involve a sudden escape of water. - Leaking overflows. - Blockage of soil or waste pipes from sinks, basins, bidets, baths, or showers. - Where there is a leak from a shower, bath or sink when in use and there is another means of equivalent bathing or washing at the home. - Replacement of any boiler if repair or reinstatement is not possible due to the non-availability of parts. - Gas leaks from any pipes or appliances. - Costs relating to the repair or replacement of the central heating pump or wall or room thermostat. - Heating systems over 10 years old (please refer to wordings as different ages apply) - Heating systems that have an output of more than 60kw per hour. - Any claims where your boiler is deemed beyond economic repair. - Boilers that have not been serviced in line with the manufacturers guidance or where you cannot provide evidence that the boiler has been serviced within the last 12 months. - Any claim where there is another working toilet within your property. - Breakdown of, loss of or damage to Saniflow or other macerator toilets. - Infestations or pests in gardens, or outbuildings. - Infestations where you have not taken reasonable hygiene measures to prevent it. - Breakage of internal glass or doors. - Flat or tarpaulin roofs. - Any claim involving guttering. - Any theft of keys, vandalism or malicious damage not reported to the police. - The main reason the product would not respond is where customers are trying to use the policy as a maintenance contract, for the upkeep of their property as opposed to in the event of an emergency situation. Cover Restrictions: - Properties of which you are not the legal owner - Homes outside of the Geographical limits set out in the policy document - Boilers and other equipment which is not serviced annually or in accordance with manufacturer's guidance - Where there is no written tenancy agreement in place between Landlord and tenant - Properties used for commercial purposes other than letting - Properties heated by more than a single boiler - Boilers with an output in excess of 60Kw
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.