Fair Value Assessment Report

Distributor	Strategic Insurance Services Ltd
Product(s)	Home Emergency Insurance (HEC) Domestic Add-on (excluding boiler)
Date FVA completed	Jan-2025
Date of next review	Jan-2026
Approved	Underwriting and Product Governance Committee – Collinson/Astrenska Insurance Ltd (AIL)

**Products are continously monitored in accordance with our 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

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**
  Continues to meet the needs of customers and the defined target market
  Continues to provide value to customers and the intended defined market

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	The product is aimed at consumers who own their own domestic, non-commercial properties (typically houses) which are lived in by themselves and immediate family members as their primary or secondary residence. The product offers cover for assistance in the event of an emergency occurring within a property owned and lived in by the customer, up to a specified value per claim. 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 property related emergencies. It covers the provision of assistance & the cost incurred up to a set monetary value. This particular variant of the product excludes cover for boiler and heating related assistance, so is aimed at customers who want home emergency related cover for a range of different types of assistance, but perhaps already have their boiler covered under an extended warranty type product, or for those customers who already have stand-alone boiler insurance via their energy provider or elsewhere.

Target Market	• **What is this product?** This is a Personal Lines General Insurance product suitable for individual consumers. 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. • **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, as well as the financial loss involved in doing so. • **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 online via the broker website. 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 a UK resident and own the property they are insuring > be purchasing the insurance while in the UK > be purchasing this product alongside building insurance • **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 require a product that includes cover for property maintenance > Customers who let their property to tenants
Target Markets knowledge and understanding of the product	As part of the sales process, consumers are given comprehensive information about the benefits, policy amounts/limits, exclusions and limitations together with a demands and needs statement outlining the demands and needs of a customer for whom the product would be suitable - • Product distributors are on hand to assist with any product related questions. • Customers have a cooling off period in which to fully scrutinise their insurance documentation and decide whether the cover provided meet their demands and needs
Key Benefits	**For full list of inclusions and exclusions please refer to the relevant policy wordings and IPID**
Notable Exclusions	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. Outside of that, significant restrictions on cover as follows (for a full list of exclusions, see IPID): • Any claim relating to a boiler or central heating system • Any Emergency, loss or damage arising from faults, damage or infestation you were aware of at the time you entered into this contract • Dripping taps, results of hard water scaling deposits, burst or leaking flexible hose, slow seepage, leaking overflows, blocked or misaligned guttering, damage to boundary walls, hedges, or fences. • Blockage of soil or waste pipes from sinks, basins, bidets, baths or showers • Breakdown of, loss or damage to Saniflow toilets and other mechanical equipment. • Failure of any service where the problem is situated outside the boundary of the plot or land on which your home is situated. • Any damage caused by the pests or infestations or by their removal • Pest infestations in the gardens or outbuildings. • Breakage of internal glass or doors • Vandalism caused by anyone staying at the property with your permission ! 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. ! Properties used for commercial purposes or that are let out to tenants

Vulnerable Customer Assessment	An assessment of the intended target market has not raised any specific actions, as we have assurance that processes are in place to address impacts to vulnerable customers within the provision of these products. We / our distributor can address and consider impacts to vulnerable customers and their needs. Including: • Customer is elderly and uncomfortable with technology: we have processes implemented for the customer to complete the sales process over the telephone • Customer with low emotional resilience e.g., finding it hard to cope with the outcome of a claim: agents encouraged to stay on the call for as long as is needed to support these customers and give them all the information they need. • Customer is partially sighted: offer to provide large font copies of policy related documentation and pre-sales information • Customer has poor literacy and numeracy may struggle to understand our documentation: product documentation includes clear English avoids use of financial or legal jargon/terminology. Customers given details for non-digital support throughout a digital journey, allowing customers to drop out of the process if they require an alternative approach, were unsure how to proceed or needed to discuss their circumstances. Customers asked to record any needs when they start an online journey, allowing appropriate follow up questions or for the customer to be routed to an appropriate customer team if required. We recognise the importance of considering the needs of customers in vulnerable circumstances when developing products and services, and across the entire customer journey, including when making changes to existing products or developing new ones. To achieve good outcomes for customers in vulnerable circumstances and ensure that those outcomes are as good as for other customers, we have: • understood the needs of the target market/customer base. • made sure staff have the right skills and capability to recognise and respond to the needs of customers in vulnerable circumstances. • responded to customer needs throughout product design, flexible customer service support and communications. • put in place measures to ensure the delivery of good outcomes for vulnerable customers are being monitored and assessed to determine whether we are meeting and responding to needs of customers with characteristics of vulnerability and make improvements where this is not happening. **Claims and Sales Journey** Our claims partner(s) have identified the characteristics of vulnerabilities likely to exist within the defined target market and overlayed these at each key touchpoint of the relevant journey to assess the suitability of the mapped support. This process has not identified any material gaps in the available support, nor in the overall design of the product and its features. The product and service deign is therefore considered to be compatible with the needs of the target market and any associated vulnerable customers.
Distribution	Available through multiple channels ie. direct, aggs, telephone, face2face (via SISL wholesale / retail relationships) – non advised