Fair Value Assessment Report

Distributor	Strategic Insurance Services Ltd
Product	Excess Protection (generic Home, Motor & SME) – add-on
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	Once the insured has purchased the relevant Excess Protection policy to go alongside their main motor/home 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/home policy, up to the pre agreed limit of cover. 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	**What is this product?** 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. **What customer needs are met by this product?** 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 home insurance policy. **Who is this product designed for?** This product is designed for mass market consumers who own a car/van (or other type of vehicle) or home 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 home 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/home insurance policy > Customers who do not hold a driving licence (motor variant) > Customers who do not own their home (home variant) **Can this product be sold without advice?** 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 / home insurance policy. **How can this product be sold?** This product can be sold via the telephone or online alongside core motor/home insurance policies. **Eligibility - Customers must:** > be a UK resident > be purchasing the insurance while in the UK
Target Markets knowledge and understanding of the product	• As part of the sales process, consumers are provided with 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 • This is a well-established mass market product where there is evidence of good customer understanding of the product • The only degree of complexity related to this product is the need to select the right level of excess cover, which should be no more than the value of excess payable on the core policy this product is sold alongside. This is a sufficiently simple product for customers to understand without advice • We continue to ensure customer need and understanding of the product through review of key performance metrics and other relevant monitoring
Key Benefits	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 home insurance policy.
Notable Exclusions	The primary scenarios where the product would not respond, including exclusions and restrictions, are outlined in the IPID and policy wording, with examples of exclusions for a motor excess policy provided below: • Any claim that Your Motor / Home or SME Policy does not respond to or the excess is not exceeded. • Any claim that is refused under your Motor / Home or SME policy. • Any incident that occurs during the Waiting Period. *Any claim where the Motor Vehicle is being used:* • *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.* • *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*
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, where 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 (SISL wholesale / retail relationships) – non advised