

Fair Value Assessment Outcome

Brit Syndicates Limited has undertaken a Fair Value Assessment in accordance with the FCA Product Governance (PROD 4) and our product governance obligations. This document is intended to provide a summary of the fair value assessment only.

For use by distributors only, Private and Confidential.

Product Name	UK Terrorism
Manufacturer	Brit Syndicates Limited is the core product manufacturer. Ancillary products are offered by third parties and are separate from Brit's offering.

Product Information	
The product is subject to approval from our Product Oversight Group.	
The product provides cover for physical loss or damage to Buildings, Landlords Contents, Fixtures and Fittings along with any associated Business Interruption in the event of damage caused by an Act of Terrorism or an Act of Sabotage. It is designed specifically to cover landlords of commercial and residential let buildings in the UK.	
The product is only available to purchase in the UK, Jersey, Guernsey, Isle of Man and the Falkland Islands and is only distributed via delegated authority to Lloyd's approved Coverholders who manage the inception and renewal of all policies in accordance with their approved binding authority agreement. There are no fees or charges in place as the product is not distributed in the open market.	
Pricing is set by Brit using pre-determined rates as per our underwriting guidelines which is applied consistently to both new customers and renewals. The pre-determined rates are per zone in line with the Government Pool rates so the Coverholder is able to quote all risks under Zone B, C and D (based on the insureds post code). All risks under Zone A must be referred to Brit for approval. There are currently no plans to change the rating matrix.	
The agreement and attaching policies are not subject or capable of automatic renewal. As per the binding authority, the Coverholder will review each insurance bound prior to its individual renewal date in order to offer renewal terms or to decline the renewal.	
All complaints are handled by the Brit Insurance in house Complaints Team. All complaints received are reviewed on a quarterly basis to understand the root causes and whether there are any systemic issues that require a review of the product design.	
The Product has been subject to a fair value assessment considering the commission and fee information in the distribution chain as well as a suite of internal MI. We are satisfied the product offers fair value.	
What customer need is met by this product?	
The Product is designed to provide customers financial protection for physical loss or damage to Buildings, Landlords Contents, Fixtures and Fittings along with any associated Business Interruption in the event of damage caused by an Act of Terrorism or an Act of Sabotage.	
Target Market	
This product has been designed specifically for commercial landlords that own and rent out properties to commercial or residential businesses/tenants whom they are receiving annual rental income.	
Types of customer for whom the product would be unsuitable	
This product would not be suitable for general property insurance for individuals or businesses that are requiring protection against their operation risk such as varying levels of business interruption along with loss of revenue, gross profit, stock and contents. It would also not be suitable for any products or public liability or employers liability coverage.	
Any notable exclusions or circumstances where the product will not respond	
Key exclusions: <ul style="list-style-type: none">• Communicable Diseases (as per endorsement LMA5393) / Cyber (as per LMA5409)• Loss or damage arising from nuclear detonation, nuclear reaction, nuclear radition, radioactive contamination• Loss or damage arising from war, invasion or warlike operations• Loss or increased cost as a result of threat or hoax• Loss or damage arising from burglary, looting or theft• Aircraft or warcraft• Animals, plants and living things or all types	
How is this product sold?	
The product is only distributed via delegated authority to Lloyd's approved Coverholders which are FCA authorised. Customers are offered bespoke advice to ensure the product meets their demands and needs.	
Fair Value Review	
The fair value assessment indicates that the UK Terrorism product provides value to the end customer and remains suitable for the target market. Where a potential risk to the product value has been identified, the distributors will be contacted directly.	
Other information which may be relevant to distributors	
As part of the FCA Fair Value Assessment we require distributors to provide additional product information on the distribution chain, fees, remuneration or services, ancillary/add-on products on an annual basis. Taking into consideration the potential impact it would have on the customer and the product value.	
Brit Prod Review Central Contact - FairValueReview@Britinsurance.com	
Date of Fair Value Assessment Completed	October 2022
Expected Date of Next Assessment	Within 12 months of this assessment