

## PRODUCT GOVERNANCE AND FAIR VALUE ASSESSMENT

*This summary document has been created to fulfil our responsibilities under fair value regulations. This document **should not** be used as a sales or marketing tool. The client facing broker must act in the best interests of each customer individually when deciding whether to recommend a particular policy or not.*

**PRODUCT NAME** Real Estate (Covea Insurance)  
**POLICY WORDING** Real Estate Policy Wording – Covea Insurance  
**VERSION NUMBER** R59600 04.21

<b>PRODUCT TYPE</b>	Commercial Property Owners Policy containing Sections for Property Damage, Loss Of Rent, Employers’ Liability, Property Owners Liability, Terrorism and Legal Expenses.												
<b>CO-MANUFACTURERS</b>	<p>This product is manufactured by Covea Insurance plc (“Covea”) and this assessment is produced from Covea’s Product Value – Information Exchange information - provided to Camberford Underwriting.</p> <p>Capacity Provider(s):</p> <ul style="list-style-type: none"> <li>• Sections 1 to 5: Covea Insurance plc</li> <li>• Section 6: (Legal Expenses): Financial &amp; Legal Insurance Company Limited - administered by MSL Legal Expenses Limited</li> </ul>												
<b>MOST RECENT REVIEW</b>	<p>May 2022 (Capacity Providers)          September 2021 (Camberford Underwriting)</p>												
<b>TARGET MARKET</b>	<p>‘Real Estate’ is designed to specifically meet the insurance needs of commercial property owners and covers a wide range of customers including companies with single premise risks to organisations with large mixed asset portfolios.</p> <p>The product is designed to enable such businesses to minimise disruption and continue to trade following impact from insured perils such as theft, flood, fire, or legal action.</p>												
<b>OUTSIDE TARGET MARKET</b>	<ul style="list-style-type: none"> <li>• Non Commercial Customers</li> <li>• Some smaller risks that would be better suited to our e-traded products.</li> </ul>												
<b>CHARACTERISTICS OF THE PRODUCT AIMED AT MEETING THE NEEDS OF THE TARGET MARKET</b>	<p><b>Cover Sections:</b></p> <p>The product can provide the following cover, up to agreed specific limits:</p> <table> <tr> <td>Section 1</td> <td>Property</td> </tr> <tr> <td>Section 2</td> <td>Loss Of Rent</td> </tr> <tr> <td>Section 3</td> <td>Employers’ Liability</td> </tr> <tr> <td>Section 4</td> <td>Property Owners Liability</td> </tr> <tr> <td>Section 5</td> <td>Terrorism</td> </tr> <tr> <td>Section 6</td> <td>Legal Expenses</td> </tr> </table> <p><b>Standard Cover</b></p> <p>As standard, the policy will provide cover for:</p> <ul style="list-style-type: none"> <li>• Buildings including any accidental cause</li> <li>• Glass</li> <li>• Loss of rent and alternative accommodation in respect of</li> </ul>	Section 1	Property	Section 2	Loss Of Rent	Section 3	Employers’ Liability	Section 4	Property Owners Liability	Section 5	Terrorism	Section 6	Legal Expenses
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- residential buildings only – up to 33.33% of Buildings insured
- Landlord Contents or Residential Accommodation - £25,000 any one premises premise with the option to increase
- Property Owners' Liability £10,000,000

#### Optional Covers

The following optional covers are also available:

- Landlords Contents
- Loss Of Rent for non-residential building
- Terrorism
- Legal Expenses

#### Add Ons:

An alternative Legal Expenses cover is also available as a separate policy/product:- distributors are able to consider the cost and coverage of this against that applicable to Section 6 of this product.

The alternative Legal Expenses product is manufactured by Arag plc who is authorised under a binding authority agreement to administer this insurance on behalf of the Insurer, AmTrust Europe Limited.

#### Product Literature

The Policy Wording and Policy Summary are issued with each new and renewal quotation; and samples available upon request to [product.governance@camberford.com](mailto:product.governance@camberford.com).

#### DISTRIBUTION STRATEGY

This product is designed to be distributed via an intermediary on an advised basis due to the nature of the complicated risk presentation.

The full policy wording and Covea's product review lifecycle can be found on the Covéa website at this location:

<https://www.coveainsurance.co.uk/products-and-services/commercial-lines/commercial-lines-overview/>

Distributors are expected to have considered the customer's needs and characteristics to ensure that the product and coverage selected meet their requirements. They should also consider any aspects that may make the customer be deemed vulnerable, such as poor health, resilience, or capability.

#### COMMISSION

We will agree a commission rate with each distributor. All distributors should be able to demonstrate that commission received bears a reasonable relationship to the actual costs of their contribution/level of involvement or benefit added by them to the distribution arrangement. We may ask you to justify your commission rate and if we are not satisfied that it is appropriate we may seek to amend it.

#### OTHER REMUNERATION

We will charge an Underwriting Fee on any new business or renewal policy taken up. Full details regarding our fees are detailed within quotation and schedule documents. We review our fees annually to ensure that they remain appropriate.

We may ask you to provide details of remuneration you earn in connection with the sale of our policy. This includes any fees, premium finance earnings, earning from non-insurance products or add-ons sold alongside our policy.

	<p>You must ensure that your arrangements are consistent with FCA rules on conflicts and incentives. You should review all remuneration arrangements at least annually and share the outcome of that review with us on request.</p>
<p><b>FAIR VALUE REVIEW</b></p>	<p>Covea’s fair value assessment was completed in May 2022 and the product considered to provide Fair Value. The expected date of next assessment is May 2023.</p> <p>Camberford Underwriting’s product governance process requires a full review of all products at least annually to determine if the product offers fair value to the end customer. These reviews consider the target market, distribution strategy, remuneration, marketing, product information, product performance, product design and feedback from distributors and customers.</p> <p>We also monitor conversion rates, renewal retention, cancellations, loss ratios, claims and complaints as part of this review process.</p> <p>We are satisfied that the product offers fair value to its intended Target Market, subject to distributors:</p> <ul style="list-style-type: none"> <li>• not charging customers additional amounts over and above the gross premium plus underwriting fees quoted by us without first determining that they do not have a detrimental effect on the value of the product.</li> <li>• ensuring that no duplicate cover exists or is caused by an add-on where that cover is already provided by the policy.</li> </ul>
<p><b>CUSTOMERS FOR WHOM THE PRODUCT IS NOT EXPECTED TO PROVIDE FAIR VALUE</b></p>	<p>This product would not be expected to provide fair value to policyholders / risks that fall outside the Target Market.</p>
<p><b>RELEVANT DOCUMENTS AVAILABLE</b></p>	<ul style="list-style-type: none"> <li>• Policy Wording</li> <li>• Policy Summary</li> </ul> <p>Please contact <a href="mailto:product.governance@camberford.com">product.governance@camberford.com</a> for samples.</p>

We welcome any feedback from our distributors on the performance of our products. All feedback will be considered in our next product review.

If you believe that your staff would benefit from additional training on this product please let us know by making contact by email to [product.governance@camberford.com](mailto:product.governance@camberford.com).

