

Fair Value Assessment Outcome:

Product – Terrorism

Insurer/Provider – Various

Allianz Insurance Plc
Arch Insurance (UK) Limited
Aviva Insurance Limited
Hiscox Insurance Company Limited
AXA Insurance UK Plc
Portus Underwriting
Zurich Insurance PLC

KEY FINDINGS;

Product Overview

A commercial lines general insurance product designed to protect a client's property against acts of terrorism.

See Manufacturer's Target Market Statement for detail on the range of customers the product is designed for as well as the groups of customers for whom the product is not appropriate and will not provide the intended value.

Date Fair Value assessment completed – 2022

This is the first report, but future reports will include a comparison between the current and previous year in order to identify trends.

Fair Value Assessment Outcome:

The outcome of the review shows the product delivers value. This product will therefore be monitored and reviewed again in 12 months as per PROD 4.2.34 requirement to undertake regular product reviews.

A summary of why we concluded this product is delivering value is set out below:

- The product performance metrics do not raise any major concerns and are explained in detail below.
- The product is a high volume one from a sales perspective with 2021 live policies in place at time of review so the appetite and demand for this product is good.
- The new business quotes and conversion rates are in line with company tolerance. Whilst it is not possible to break this down to a granular level overall percentages show no issues or concerns.
- The renewal retention rates are in line with company tolerance level of 85 % coming in at around 86 % so this product performs very well.
- Cancellation rates are in line with company tolerance and are very low.
- Complaints levels for this product are very low.
- Our approach to this product review has utilised data and MI readily available.