AUK
ACRISURE®

Specialty

COMBINED LIABILITY – MSIG

Fair Value & Target Market Assessment
This document is designed to explain the identified target market and the expected distribution strategy for each Insurance product distributed or co-manufactured by AUK a trading style of Acrisure UK MGA Ltd (AUK). It also outlines our approach to demonstrate how we monitor and review our products to ensure they continue to provide fair value and meet the needs characteristics and objectives of the target market including vulnerable customers. **This document is to be read in conjunction with the appropriate policy documents including the policy wording and schedule.** Target Market Statements provide information about all of the AUK products distributed which include: • The main features and optional covers associated with our products. • Who our products are designed for and who they are not designed for. • How our products are distributed. • How we ensure that our products provide fair value to customers as intended. AUK's fair value assessment considers a non-exhaustive range of MI inclusive of : claims & loss ratio's, cancellations & complaints records as well as commission and fees data. Additional considerations such as the distribution method's, market trends and facilitation costs may also be reviewed however will not be referenced within this document. It should be noted that AUK are an MGA whom wholesale through other insurance intermediaries and do not have direct contact with consumers. Our customer base are made up of wholesale or retail brokers seeking insurance on behalf of their direct customers.

Product details	
Combined Liability with option to add Contractors All Risks	
MSIG Europe SE	
AUK is deemed a Co Manufacturer of this product	
Product is accessed via the AUK Instanda Portal, brokers are provided with individual log ins to access the platform once onboarded	
Fair Value previously assessed July 2024	**Fair Value assessed on August 2025**
Next assessment to be made within 12 months ** We continuously monitor our products and apply a risk-based approach to our product governance; the next review and assessment may take place before this date and this document updated accordingly	

Product Description
This product provides standard liability insurance to commercial customers operating business located in the UK. The product has a number of separate sections and extensions to cover a broad range of risks to business with each of these sections being optional and priced individually.

Product Features	
Mandatory product features that will meet the needs, characteristics and goals of the target market	• Public Liability insurance responding to the legal liabilities of our policyholders and the threat of financial loss from a claimant suing a policyholder of our target market because of injury or damage resulting from negligent acts and / or breach of statutory duty of the policyholder which breach their duty of care. • Product Liability insurance responding to the legal liabilities of our policyholders and the threat of financial loss from a claimant suing the policyholder of our target market because of injury or damage resulting from the use of a product supplied or out of the liability incurred by a contractor after completion of a job.
Optional Covers available with this product	• Employers Liability Insurance responding to the threat of financial loss from an employee suing our policyholder (their employer) due to injury or disease incurred through, from or during the applicant's claimant's employment as a result of negligent acts of the policyholder which breach their duty of care. • Contractors All Risks cover for physical loss of or damage to the contract works and materials for incorporation therein.
Key Exclusions/Conditions	<u>General Exclusions</u> The policy does not insure, apply to or include any cover for any loss, damage, Claim, cost, expense or other sum directly or indirectly arising out of or relating to: - Asbestos - Avian influenza - Communicable disease - Cyber - Date recognition - Loss of electronic data

	- Mould - Radioactive and other contamination - Terrorism - War and similar risks Some of the above exclusions do not apply to some of the covers (for instance, Employers' Liability), as further specified in the wording. <u>Key Exclusions</u> • Wear and tear or any other gradually operating cause • Damage occurring before the beginning of the period of insurance or caused • Any reduction in market value of any property following its repair, replacement or reinstatement, unless expressly included within this insurance. • Loss, damage, liability, cost or expense of any kind caused by or resulting from poor or faulty design, defective or faulty materials or faulty workmanship In addition, there are exclusions applicable to each of the cover provided, as further specified in the wording.
Restrictions	As per supporting policy documents inclusive of the policy wording and schedule
Additional Cover(s)	As per supporting policy documents inclusive of the policy wording and schedule
Policy length	Variable but usually annual with ability to extend up to 12 months as required (minimum 6 months, maximum 18 months).

Target Market	
Product Design for distributions	Designed for Wholesale and Retail brokers to retrieve quotations via the Instanda quote system for their commercial customer's market.
Target market description	The Combined Liability product is designed for risks with the following exposures • Those who need cover for their legal liabilities to the public in relation to operating a business • Those who need to cover their legal liability for their employees • Those who need cover for their liability arising from the products they manufacture or sell • Those who need cover on an all-risk's basis for physical loss or damage to the contract works and materials for incorporation therein.
Who is this product unsuitable for?	The Combined Liability product is not designed for : • Consumers - any natural person purchasing a policy which is unrelated to their trade and/or occupation. • Insured working in safety critical areas in high-risk locations such as airports and train stations • Trades operating in the Waste Management / Environmental Sector such as Recycling, Waste Disposal and Management, Metal Recycling & Scrapping • Woodworking trades operating as Plywood Manufacturers, Sawmill and Timber Wholesalers/Merchants or any use of non-exhausted woodworking machinery. • Tobacco & e-cigarette wholesale, Sale of Bone, Horn or Ivory, Cosmetic Implants, Paper, Plastic Bags, Plastics, Plastic Foods, and Packing Materials Wholesale • Any trade involving the transport of Hazardous goods (UN Class 7 and Class 1), • Railways, Tramway, Vehicle Breakers, Airlines and Airports • Adults shops including Sex Shops, Gun Shops Furriers, Solarium • Abattoir, Industrial Laundry, and Knacker • Manufacturing of Cannabis based products, Cosmetic Implants, Explosives, Fertiliser, Firelighters, Fireworks, Foam or foam goods, Frozen Food, Latex Prophylactic, Matches, Munitions, Paper Goods, Sunbeds, Tobacco & e-cigarettes, Tyres • Abortion Clinics, Cosmetic Surgery, Tanning Studio • Adult Industry including Lap Dancing Clubs, Night Clubs, Public Houses including Night Clubs, Sex, Strip, Swingers Clubs • Amusement Parks, Bouncy Castle Hirer, Circus, Inflatable Play Arena, Skating Rinks & Zoos

	• Crane Engineers, Lift Maintenance Engineers, and installation, Abseilers, Dam Construction, Demolition Contractors (all), Roofing Contractors, Ship builders, Shuttering / Formwork Contractors, Swimming Pool Installation, Tower Crane erectors, Tunnelling Contractors and Cladding Contractors. • Children's home, Adult Education College, Prison, Asylum, and detention centres • Asbestos, Chemical, Oil and Gas Trades including Petrochemical Risks, Offshore Risks, Extraction, Storage, Drilling, Generation, Manufacture • Farm & Estates including Fish Farm, Foresters, Forestry / Tree Surgery, Genetic modification, or organisms, Growing crops, Smallholding, tree felling/surgery
Commissions and Fees Analysis	The remuneration AUK receive from the carrier is fixed. A fee is applied across all new business and renewals and midterm adjustments. The carrier is aware of these charges and is satisfied the end value is not negatively impacted.

Distribution of Product	This product is distributed via AUK's internal Instanda system for use by distributing brokers on behalf of their clients.
Distribution chain value	This product is provided via AUK an MGA to a selective group of insurance intermediaries acting on behalf of their client (as either a wholesale or a retail broker). AUK support all intermediaries by providing them with guidance, support and access to markets. AUK have authority to release and assist with referrals within set parameters, enhancing the customers experience improving turnaround times and providing a more direct service to all those involved. All AUK's intermediaries are monitored and reviewed on an ongoing basis. Where bad outcomes arise, or value is exploited In the chain, relationships would be reviewed, and appropriate actions would be taken.
Distributor Remunerations	AUK agrees commission rates with each distributor. AUK requests confirmation of any fee's their brokers charge at point of onboarding. All AUK brokers whether wholesale or retail are sent an annual fair value questionnaire and must evidence their fee matrix when requested by AUK. Where AUK considers these could impact the value of the product this would be raised directly with distributors and the decision to no longer distribute to this intermediary would be implemented. AUK have taken reasonable steps to validate the earnings (commission & fees) charged by themselves and those within the distribution chain are fair value to the end customer and in line with usual market practice. AUK highlights the importance of any fee's being applied by their distributors maintaining fair value to the end client.
Actions expected from those involved in the distribution chain	AUK submits monthly data to MSIG detailing policies written over multiple business streams products placed via them. Frequent reviews between AUK and MSIG directly are also undertaken relating to: policies written, cancellations, complaints and vulnerable customers notified of. AUK expect those involved with the distribution chain to: • Ensure all Commission, fees or charges passed onto the customer must be proportionate to the service provided and provide fair value. • Make sure that care is taken to ensure no duplicate cover exists or is caused by an add-on where that cover is already provided by the policy. • Provide Instruction to the end client to read all documentation provided to them. • Notify AUK of any complaints or customer vulnerabilities they are made aware of so that AUK and the MSIG can assist as best as possible. MSIG may request information from AUK and their distributors at any time to ensure that fair value alongside good outcomes are being maintained throughout the chain. All parties are expected to respond to these requests promptly and without unreasonable delay.

Claims and Loss Information

Claims handling is undertaken by a third party appointed directly by MSIG.
AUK have never had any claims authority when it comes to the MSIG products we help to distribute and co manufacture.
For the purposes of this review the offering via the Instanda Portal for MSIG has been combined.
The products are of a similar nature and thus we are satisfied with the data used to monitor and review the cancellations being substantial.

AUK and MSIG are satisfied with the above findings given the offerings have been launched since June 2024.

Given the infancy of this offering, we have not been notified by MSIG of any claims at this moment in time.

Cancellations

We continually monitor and review cancellations and the reasons for these alongside the insurer to monitor trends and the appropriate measures are taken to ensure the needs of the customers are being met as well as product value continuing to be provided.

For the purposes of this review the offering via the Instanda Portal for MSIG has been combined.
The products are of a similar nature and thus we are satisfied with the data used to monitor and review the cancellations being substantial.

Vulnerable Clients

AUK, are reliant upon our distributing brokers to notify us of any vulnerabilities they are presented with or require support with.
All of our broking partners are required to have a vulnerable customers policy and training in place to assist with their staff identifying and supporting any vulnerable customers they liaise with.
AUK will always work with our broking partners inclusive of and not limited to requesting information/documentation as per the client's requirements, ensuring the distribution channel is accessible and ensuring that the products we distribute meet the needs of clients.

Whilst we are currently unaware of any areas of our product which could exploit a customer in a vulnerable circumstance at present, we continue to review and monitor any changes on an ongoing basis. AUK are able to report vulnerabilities reported to them regarding the product offered within their system and will share this with the underlying insurer.
There have been 0 vulnerable customer notifications reported to us on this product since it went live with us in 2024.

Customer Service & Complaints

AUK pride themselves on the service and support they provide to their distributing intermediaries. In addition to the access to markets AUK provides each of their placing intermediaries with support in accessing and placing their risks via a team of experienced executives.
Regular communication enables the distributing brokers to reach out for assistance or raise any concerns or queries' they have with the products AUK are enabling them access too.

As a co manufacturer of this product, if AUK receive any complaints these must be shared with the underlying carrier for investigation and resolution. Our contact details are included within our Policy Wording, and on our website enabling direct customers to get in touch with us however we are heavily reliant upon our distributing brokers to notify us of any complaints reported to them.

Outcome of the Product Review and Fair Value Assessment

As a result of the product governance activities undertaken across this product we can confirm:

1. **The product remains consistent with the needs of the identified target market**
2. **The product remains consistent with the fair value assessment**
3. **The intended distribution strategy remains appropriate**