

Target Market Statement and Fair Value Assessment

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

For use by distributors only.

Product Name	Employers Liability
Manufacturer	Brit Syndicates Limited is the core product manufacturer. Ancillary products including Premium Finance, Legal Expenses, PI and Personal Accident are offered by third parties and are separate from Brit's offering.

Product Information

The Employers Liability product has been subject to periodic controls and our POG process. The product has been reviewed and signed off by our POG panel as representing fair value to customers. This is in light of a review of the following MI:

- Acquisition Costs and Fees
- Policy Coverage and Limitations
- Premium Information
- Cancellation Data
- Vulnerable Customers Data
- Claims and Complaints Data
- Declinature rates
- Loss ratios
- Ex gratia payments
- Root cause analysis
- Renewal retention rates
- Customer Feedback
- Oversight and Monitoring
- Conduct and Technical Wordings review
- Product Benchmarking
- Breaches of Lloyd's/FCA benchmarks and tolerances

All management information is reviewed on a periodic basis to complete root causes analysis and understand whether there are any systemic issues that require a review of the product design outside of the annual review cycle.

The Employers Liability product is sold in the UK and the Republic of Ireland to businesses who are legally required to carry Employer's Liability insurance. The product is offered on both a primary and excess of loss basis, and it is distributed through Coverholders as well as being placed directly in the Open Market.

The product usually runs for a duration of 12 months unless specific requests are received from the Insured. Renewal notices and procedures are issued in accordance with local regulations.

Claims are handled either by Brit's in-house claims team or via appointed Delegated Claims Administrators (DCA) selected from Brit's approved panel. Quarterly Technical File reviews are undertaken to ensure that all claims are handled appropriately against our internal metrics which centre around ensuring good customer outcomes.

Complaints are handled by Brit or via delegated complaints handling authority. Regular analysis of all complaints received ensure Underwriters can identify any necessary policy changes to ensure fair customer value is maintained over time.

What customer need is met by this product?	
The Employer's Liability product is designed to compensate businesses and cover their legal costs in the event that a work-related illness or injury arises. Such cover is a statutory requirement for UK-domiciled businesses with any employees, with the minimum requirement being GBP 5m Limit of Indemnity (LOI).	
Target Market	
The product is targeted at UK businesses that employ staff and need protection against claims from employees or third parties, including small and medium-sized enterprises (SMEs). This is a compulsory type of insurance.	
Types of customer for whom the product would be unsuitable	
The Employer's Liability is not suitable for non-commercial customers. It is also would not be suitable for businesses that only employ close family members, workers who live abroad and only hire contractors, that may not legally count as employees of the business.	
Any notable exclusions or circumstances where the product will not respond	
Key exclusions:	
As a statutory insurance requirement, it is not legally viable to apply exclusions to coverage within the statutory GBP 5m of cover for UK-domiciled Insureds.	
For limits of insurance greater than the statutory GBP 5m level, it is standard for Asbestos, Terrorism and Offshore activities to be excluded.	
How is this product sold?	
This product is distributed through delegated arrangements via Coverholders as well as in the open market. Typically, the chain includes a retail broker who provides tailored advice to ensure the product aligns with the customers' demands and needs.	
The Employers Liability product is predominantly offered as a combined package with Public/Product Liability to customers who require such cover. The cover can be extended to include unsatisfied court judgements, Health and Safety at Work Act legal defence costs and compensation for court attendance.	
The product is also sold as part of the Property Combined product which is aimed at commercial, SMEs and some landlords. However, customers can also purchase the products separately. The policies are sold on a losses-occurring trigger basis.	
Fair Value Review	
The fair value assessment indicates that the Employer's Liability 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.	
If you have any questions regarding the product approvals and Fair Value Assessments, please refer any communications to your Brit representative.	
Date of Fair Value Assessment Completed	2025
Expected Date of Next Assessment	2026