

## 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.**

<b>Product Name</b>	Employer's Liability
<b>Manufacturer</b>	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 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:

- Cancellation Data
- Claims and complaint volumes
- Declinature rates
- Loss ratios
- Renewal retention rates
- Ex gratia payments
- Wordings review
- Breaches of Lloyd's/FCA benchmarks and tolerances
- Root cause analysis

The products are offered in the UK. 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.

All claims are handled in house by Brit. 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.

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 Employer's Liability product is a statutory requirement in the UK. Its designed to pay the compensation amount and legal costs if an employee claims for a work-related illness or injury. GBP 5m LOI minimum requirement.

<b>Target Market</b>	
The product is targeted at businesses in the UK who employ individuals to carry Employer's Liability insurance, as required by law.	
<b>Types of customer for whom the product would be unsuitable</b>	
For most businesses with employees, Employers Liability insurance is mandatory under UK law. Exemptions include some businesses that only employ close family members or workers who live abroad. In addition businesses that only hire contractors, that may not legally count as employees of the business.	
<b>Any notable exclusions or circumstances where the product will not respond</b>	
As a statutory insurance requirement, it is not legally viable to apply exclusions to coverage within the statutory GBP 5m of cover.  For limits of insurance greater than the statutory GBP 5m level, it is standard for Asbestos and Terrorism to be excluded.	
<b>How is this product sold?</b>	
The product is sold on a binder and Open Market basis through FCA authorised intermediaries and Lloyd's approved Coverholders. Customers are offered bespoke advice to ensure the product meets their demands and needs.	
<b>Fair Value Review</b>	
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.	
<b>Other information which may be relevant to distributors</b>	
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	
<b>Date of Fair Value Assessment Completed</b>	2022
<b>Expected Date of Next Assessment</b>	2023