

# Product Information Record & Fair Value Assessment

## Product Oversight & Governance | Product Information & Fair Value Record

**Client Name:** Assurant Intermediary Limited  
**Scheme Name:** Assurant Intermediary – Let Landlords  
**Product Name:** Buildings & Contents - Household  
**Coverholder Product Responsibility:** Distributor  
**Scheme Ref:** 03802N  
**Valid for Scheme Incepting:** 01/12/2022

## Introduction

UK General Insurance is committed to having the appropriate product oversight and governance systems and controls in place to offer products that meet the needs of their intended market and are assessed to ensure they provide fair value to those customers.

This document outlines the information as required to fulfil our fair value regulation responsibilities. It includes detail of the intended target market for this product, considerations around vulnerability and demonstrates how the product offers value to the customer. The proposed rules define value as the relationship between the overall price to the customer and the quality of the product(s) and/or services provided. As directed in PROD4, the relevant information from this document should be shared with all parties within the distribution chain.

## Product & Target Market Assessment

Section 1: Product Benefits Summary			
<b>Product Description:</b>	Specified cover for landlords against loss or damage to their property or contents, legal liability incurred for accidents or losses occurring in their tenanted property during the period of insurance.		
<b>Product Benefits:</b>	Cover offered provides financial protection against damage to the fabric of the building and to the contents which is beyond the control of the landlord.		
<b>Customer Type:</b>	Personal		
<b>Product Structure</b>	Individual Policyholder	<b>Annual, True Monthly or Short Term / Event Policies</b>	Annual
<b>Class of Business:</b>	Household	<b>Claims Settlement Basis:</b>	<ul style="list-style-type: none"> <li>• Claims occurred</li> <li>• Full cost of repair/reinstatement (Section 1 Buildings)</li> <li>• Repair, replacement or paying for any article covered under Section 2 Contents</li> <li>• Amounts the insured is legally liable to pay, including costs and expenses up to the limit of indemnity (Section 3 Landlords Legal Liability)</li> </ul>
<b>Cover Sections:</b>	<b>Section 1   Buildings</b> Your Cover Additional Cover  <b>Section 2   Landlord's Contents</b> Your Cover Additional Cover Legal Liability to the public  <b>Section 3   Landlord's Legal Liability</b>	<b>Main Restrictions:</b>	<ul style="list-style-type: none"> <li>• You must be a permanent resident in England, Scotland, Wales, Isle of Man or Northern Ireland.</li> <li>• The property must be in the UK.</li> <li>• A tenancy agreement must be in place, in writing, made between you and the tenant, which is an Assured Shorthold Tenancy Agreement, within the meaning of the Housing Acts 1988 and 1996, or a Short-Assured Tenancy or an Assured Tenancy as defined in the Housing (Scotland) Act 1988, or a tenancy agreement in which the tenant is a limited company.</li> <li>• When the building is unoccupied it must be internally and externally inspected by you at least once every 14 day and a written log kept of those inspections.</li> <li>• If the building will be left unattended for 14 days or more, you must immediately make sure the gas and water system is turned off and <b>drained</b> at the mains or any heating system in place must be set at a continuous minimum temperature of 14 degrees Celsius.</li> </ul>
<b>Optional Cover:</b>	<b>Section 1   Buildings</b> Accidental Damage  <b>Section 2   Landlords Contents</b> Accidental Damage		

		<ul style="list-style-type: none"> <li>You must notify your agent if the buildings as specified in the schedule are to become unoccupied for more than 60 days in any single period.</li> <li>There must be evidence of forcible or violent entry or exit for a claim for theft.</li> <li>No cover for loss or damage caused by domestic pets, insects or vermin or any damage that happens gradually over time.</li> <li>No cover for loss or damage caused to any motor vehicles (other than a private garden vehicle), caravans, trailers or watercraft and/or their accessories.</li> </ul>
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### Section 2: Target Market & Risks to Target Market

<b>Who are the intended product's end customers?</b>	<ul style="list-style-type: none"> <li>Individuals who are living permanently in the UK</li> <li>Individuals looking to insure a property in the UK</li> <li>Those looking to insure property that is let to paying tenants under a tenancy agreement</li> </ul>
<b>Who is this product <u>not</u> intended for?</b>	<ul style="list-style-type: none"> <li>Those not resident in the UK</li> <li>Those looking to insure property outside the UK</li> <li>Those who intend to let their property on a casual basis without the use of a formal written tenancy agreement</li> <li>Those who let their property on a short term tenancy basis, for example, as a holiday home or weekend let.</li> </ul>
<b>Risks to the target market</b>	We will be catering to a broad range of customer profiles and need to ensure all general best practises are adhered to. This includes, but is not limited to, the provision of suitably informative pre-sale documentation and customer sales journey, clear and concise policy documentation, availability of documentation in a variety of formats and clear signposting and guidance to assist customers in their communications with us throughout the life of the policy.

### Section 3: Vulnerability Assessment

<b>How complex is the product?</b>	<ul style="list-style-type: none"> <li>Medium Complexity</li> </ul>
<b>Is the product specifically aimed at a target market that includes any of the following demographic factors;</b> <ul style="list-style-type: none"> <li>Young people or the elderly</li> <li>A restricted social, economic and/or employment status</li> <li>CCJ'S, adverse credit or convictions</li> <li>A restricted literacy capability</li> <li>A restrictive physical disability, illness or visual or hearing impairment</li> </ul>	<ul style="list-style-type: none"> <li>No</li> </ul>
<b>Scale of Harm:</b> The potential risk, and possible levels, of harm to customers if the product design is flawed, in particular, if the product is intended for a wide target market;	<ul style="list-style-type: none"> <li>High</li> </ul>
<b>Impact of a Claim   Product Type:</b> e.g. a customer moving from their home due to flood damage on home policy could be considered traumatic, whereas a stolen bike on a cycle policy may not be as impactful to everyday life.	<ul style="list-style-type: none"> <li>High impact</li> </ul>
<b>Any potential vulnerability risks associated with the target market?</b>	<b>General Points for Consideration (Source: FCA Financial Lives Survey 2020):</b> <ul style="list-style-type: none"> <li>All consumers are at risk of becoming vulnerable, particularly if they display characteristics of vulnerability to do with poor health (and hence at greater risk of harm), a life event, low resilience, or low capability. In the seven months between March and October 2020, the total number of UK adults with characteristics of vulnerability increased by 3.7 million to 27.7 million. This is a 15% increase on the February 2020 figure.</li> <li>We have identified four key drivers which may increase the risk of consumer vulnerability: poor health, experiencing a negative life event (such as a bereavement, job loss or relationship breakdown), low resilience (including low financial resilience) and low capability. Over half (53%) of UK adults have characteristics of vulnerability at October 2020.</li> <li>76% of adults with characteristics of vulnerability do not see themselves as vulnerable.</li> <li>Adults with poor health are more likely to see themselves as vulnerable than adults who are vulnerable for other reasons.</li> </ul>

	<p><b>Product Specific Points for Consideration: (Source: <a href="http://www.nrla.co.uk">www.nrla.co.uk</a>)</b></p> <p>The NRLA commissioned the research company Dynata to survey 2,077 private tenants in England and Wales concerning the impact of COVID-19. They were questioned between 17th November and 9th December 2020. Key findings:</p> <ul style="list-style-type: none"> <li>• 7% had built arrears due to COVID. Applied across the sector that would amount to 840,000 tenants.</li> <li>• 18% of those in arrears had rent debts of more than £1,000.</li> <li>• 11% of private renters are now unemployed.</li> <li>• Younger people are most likely to have been affected with 14% of renters aged 18 to 24 and 10% of those aged 25 to 34 having built arrears since March.</li> </ul> <p><b>Mitigation:</b></p> <p>UKG asked for evidence of Assurant’s vulnerable customers policy at the point of onboarding and through audit . Our clients are expected to provide the necessary training and support to their retail staff to help them identify vulnerable customer indicators which will help to identify those customers who may be facing some of the difficulties we have highlighted, and to highlight signposting for vulnerable customers within the policy documentation and policy sales journey.</p>
Section 4: Product Approval Process	
<b>Has this scheme has gone through the formal UKG approval and sign off process?</b>	Yes
Section 5: Conflicts of Interest	
<ul style="list-style-type: none"> <li>• <b>Are there any conflicts of interest known to any parties in the chain, which may be considered detrimental to good customer outcomes? This information is detailed in the Confirmation Statement.</b></li> </ul>	UKG   None known.

## Assessing Fair Value

Section 6: Product Review	
<p>UKG maintains a product review schedule based on scale and overall risk of a product. Product reviews take place on an annual basis and include the following information; market activity, benchmarking of product features and rating against wider market, distribution chain construct and remuneration, value metrics, claims and complaints performance KPI review, policy documentation clarity and quality review.</p> <p>Upon completion of a product review the relevant findings will be shared with our Distributors.</p>	
<p><b>Details of any changes made to the product structure at this renewal and the anticipated impact of those changes.</b></p> <p>N.B: “Significant change” as defined in POG 4.2.4A, may include, but is not restricted to, a proposed change to the insurance coverage, costs, exclusions, excesses, limits or conditions and any other significant change to the terms and conditions.</p>	None
Section 7: Fair Value Summary Statement	
<p><b>Having made our assessment, we are confident that this product offers fair value to the customer.</b></p> <ul style="list-style-type: none"> <li>• The product is aimed at Landlord homeowners, and vulnerable customers are not targeted.</li> <li>• The previous audit conducted in November 2022 did not identify any indicators of poor customer outcomes.</li> <li>• We believe the product is purchased by the customer to provide peace of mind for those instances where they have to claim and do not feel that this year’s outcome is representative of poor value.</li> </ul>	