



# Product Statement

## Fair Value Assessment Outcome & Target Market Information

This document<sup>1</sup> has been produced by Travelers Europe in accordance with our regulatory responsibilities as a Product Manufacturer of UK General Insurance products. It is intended for use by our Distributors and not for customers or operational staff.

For more information, please speak to your usual Travelers representative.

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<sup>1</sup> This document is based on the Product Value – Information Exchange Template, version 8 November 2021 (LMA9197), developed by the following trade associations for use by all market participants to meet the requirements of the Financial Conduct Authority's product governance rules relating to information exchange: the British Insurance Brokers' Association (BIBA), the London and International Insurance Brokers' Association (LIIBA), the Lloyd's Market Association (LMA), the International Underwriting Association (IUA), the Managing General Agent's Association (MGAA) and the Association of British Insurers (ABI).

## Product Value - Information Exchange Template

Carrier name	Travelers Insurance Company Limited / TIDAC UK Branch
Broker name	As stated in TOBA
Product name	Property Owners
Reference/UMR [Binder]	n/a
Reference [Class of Business]	TRV0059 09/21 Policy Wording Code 2049 06/14
Date	Qtr 3 2023

Manufacturer Information
<p><b>Product information</b></p> <p>The Property Owners product provides an insurance and risk management solution for companies or individuals that own and / or let commercial and residential properties. The policy combines selectable property and liability covers into one comprehensive wording.</p> <p>This product is structured as a package product with the option to select optional covers which enables the policyholder to build a commercial insurance solution to suit their needs. The product provides the following covers:</p> <ul style="list-style-type: none"> <li>• Property damage</li> <li>• Rent</li> <li>• Terrorism</li> <li>• Employer’s liability</li> <li>• Public and products liability</li> <li>• We provide access to risk management expertise to help manage the risks to the customer’s business whether on-site or on-line.</li> </ul> <p>This product includes the following optional covers:</p> <ul style="list-style-type: none"> <li>• Legal expenses</li> </ul> <p>In accordance with the FCA PROD4 rules, a product review and fair value assessment has been completed for this product.</p> <p>The product has been subject to Travelers’s full product review process and signed off by our authorised approvers as representing fair value to customers and may continue to be marketed and distributed.</p> <p>This product meets the needs detailed within the Target Market Statement.</p> <p>The product provides fair value to customers and is working as designed. Key metrics on usage and product value are monitored and there are no concerns that the product cannot be used or that there are any barriers to claim.</p> <p>Our assessment of fair value includes review of the following management information (where available – not all data will be available for new products) as well as any other relevant insight:</p> <ul style="list-style-type: none"> <li>• Average Premium</li> <li>• Average Claims Pay-out</li> <li>• Loss Ratio</li> <li>• Policy Cancellations</li> <li>• Claim Declinatures as % of Total Claims</li> <li>• Claims Acceptance Rate</li> <li>• Ex gratia Payments Made</li> <li>• Number of Complaints</li> <li>• Complaints as % of Claims</li> </ul>

#### Target market

Property Owners is a commercial product suitable for companies or individuals that own and let out commercial and / or residential property that is not long term unoccupied who wish to insure the risks associated with the running of their property owning business.

This product is suitable for:

- Incorporated (Ltd) and unincorporated businesses, although the vast majority of our insureds on this product are incorporated businesses
- 'Small to medium', medium and large businesses
- Covering risks domiciled in the UK with UK locations (we can accept some overseas locations in certain territories)
- We now also include residential leaseholders as our customer.

Whilst the Property Owners product existed prior to the release of the FCA's multi occupancy buildings insurance changes, we have assessed the product with the requirements and good outcomes for leaseholder customers in mind.

We believe that largely, both the policyholder and any leaseholders have a similar interest in this type of insurance and both will benefit equally from it; i.e. it will protect the key asset(s) (the buildings and any landlords' contents) and the public liability risk inherent with the day-to-day operation of buildings containing residential units.

For example, if there is a fire, both parties would benefit from the insurance cover in place to reinstate the building following such an incident. If someone were injured on the premises due to, for example, a broken floor tile, again, both parties would benefit from the public liability cover being in place to pay the claim to the injured third party.

#### Types of customer for whom the product would be unsuitable

The Property Owners product would be unsuitable for businesses who do not own and / or let commercial and / or residential premises. This product is also not suitable for:

- Micro businesses

Please refer to the policy documentation for full details of cover and exclusions.

#### Any notable exclusions or circumstances where the product will not respond

As is commonplace for Insurance products for this sector there are a number of general Exclusions including but not limited to:

- War and allied risks
- Terrorism (except where covered under the Terrorism section)
- Asbestos
- Silica
- Pollution
- Cyber Risks
- Punitive and other non-compensatory damages

Other section specific exclusions will apply, depending on the coverage selections made by the customer.

Policy excesses and cover limits are assessed on a risk by risk basis, taking into account market standards, and selected by the customer.

Please refer to the policy documentation for full details of cover and exclusions.

#### Other information which may be relevant to distributors

This document is to be read in conjunction with the full policy wording.

This product does not use an IPID nor a Policy Summary

The distribution strategy is considered appropriate for the target market with customers having the option to purchase these products through a distributor of their choice. This product may be sold by suitably skilled agents/sub-delegates:

- on an advised basis

- face-to-face
- via telephone

To ensure the customer receives fair value for this product and that they are able to make an informed choice:

- The customer’s demand and needs must be assessed to ensure the product is appropriate,
- significant or unusual exclusions should be highlighted,
- care must be taken to ensure no duplicate cover exists or is created by an add-on,
- available add-ons and optional extras should be highlighted with the same emphasis as the main sections of cover,
- commission, fees or charges passed onto the customer must be proportionate to the service provided.

Date Fair Value assessment completed	<b>Quarter 3 2023</b>
Expected date of next assessment	<b>Quarter 3 2024</b>