



# 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.

---

<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	Financial Institutions Crime Insurance for Credit Unions
Reference/UMR [Binder]	n/a
Reference [Class of Business]	TRV4845 09/23
Date	Qtr 3 2023

Manufacturer Information
<p><b>Product information</b></p> <p>The Financial Institutions Crime Insurance product provides an insurance solution aimed at Credit Unions based within the United Kingdom. The policy combines first and third-party crime covers into one comprehensive wording.</p> <p>The product provides the following covers:</p> <ul style="list-style-type: none"> <li>• Fidelity;</li> <li>• Premises;</li> <li>• Transit;</li> <li>• Third Party Fraud;</li> <li>• Computer Crime and Restoration Costs;</li> <li>• Money Orders and Counterfeit Paper Currency;</li> <li>• Funds Transfer Fraud;</li> <li>• Employee Welfare and Pension Benefit Plan(s);</li> <li>• Claims Expense</li> </ul> <p>The product includes the following optional extensions:</p> <ul style="list-style-type: none"> <li>• Customer Account Loss from Forgery</li> <li>• Funds Transfer Fraud- Customer Account Loss</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

The target market for this product includes:

- Micro credit unions
- Small and medium credit unions
  
- Based within the United Kingdom and regulated by the Prudential Regulation Authority
- With a minimum aggregate value of shares and juvenile deposits of £30,000

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

The product is **unsuitable** for:

- Private individuals
- Sole Traders
- Credit Unions based outside of the United Kingdom or not regulated by the Prudential Regulation Authority
- Credit Unions with an aggregate value of shares and juvenile deposits below £30,000

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

Applicable significant limits include but are not limited to:

- Corporate Fraud
- Plastic Cards
- Fines, Penalties, Punitive, Multiple or Exemplary Damages
- Diminution of Value
- Fire
- Indirect or Consequential Loss
- Intellectual Property
- Kidnap, Ransom and Extortion
- Employee Loss
- Loss Computation
- Loss of Income
- Nuclear
- War
- Trading or Lending
- Exchange or Purchase
- Mail
- Credit Risks
- Kiting and Cross Firing
- Money Laundering
- A deductible applies each and every loss for the insuring agreement applicable to such loss

Other section specific limits and exclusions will apply, please refer to the policy documentation for full details.

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

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. The product will be sold by regulated intermediaries on an advised basis.

This document is to be read in conjunction with the full policy wording. An IPID is available for this product.

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>