

# Fair Value Assessment

TargetMarketand ProductInformation

This information is for **broker use only** and **not intended for customer use**

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<b>Product Name:</b>	Professional Indemnity (Class of Business Casualty)
<b>Status:</b>	New Product Development <input type="checkbox"/>
	Existing Product Refresh <input checked="" type="checkbox"/>
	Product Change <input type="checkbox"/>
	Other <input type="checkbox"/>

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**Live Date:** This product is an existing product, available for new business and renewals.

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**Product Type Description:** MS Amlin's Professional Indemnity Insurance product for a wide variety of commercial clients including small and medium sized professional services firms. We believe the cover provided to be comprehensive.

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## Characteristics and features of the product:

- This insurance product is designed for customers who provide professional services and who need insurance protection against any financial losses that might arise from them breaching their professional duty. The product is available in versions that are profession specific, such as accountants or architects. It provides cover for (but is not limited to) professional negligence, loss of or damage to documents, breach of intellectual property rights, breach of confidentiality, dishonesty of employees, and libel and slander.

### **Notable exclusions or circumstances where the product will not respond**

- The policy does not respond to claims made in prior periods of coverage contractual liability, employer's liability, public & product's liability, employment law breaches/disputes, fines or penalties, director's and officer's liability, war & terrorism.

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

- The product is written on a claims-made and notified basis – which means it will only respond to claims first made against an Insured and notified to the Insurer during the policy period. The product will not respond to claim circumstances for Bodily Injury or Property Damage unless they arise directly from negligent advice, design, specification, formula, or other breach of professional duty by the insured policyholder. The product will not cover any claims or circumstances of which the policyholder was aware, or of which they ought reasonably to have been aware, at or prior to the start date of the policy. The policy does not cover claims made against individual directors or officers of the insured policyholder or in relation to their director or officer appointments of other firms. The product will not respond to claims
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## Target Market:

### Who is this product designed for?

We target a wide range of entities with a professional vocation. Our client base focusses on commercial clients but will also include smaller SMEs.

### Who is this product not designed for?

Any customer type not detailed in the scope under Target Market.

## Vulnerable Customers:

*Broker Guidance: You should also ensure that you assess the presence of vulnerable customer characteristics and verify the suitability of the product, should they arise.*

### Did any vulnerable customer characteristics present themselves as risks during the development of the product?

- |  |                                     |
|--|-------------------------------------|
| <b>Health</b> – Conditions that affect ability to carry out day-to-day tasks | <input type="checkbox"/>            |
| <b>Life events</b> - Such as bereavement, job loss or relationship breakdown | <input type="checkbox"/>            |
| <b>Resilience</b> – Low ability to withstand financial or emotional shocks   | <input type="checkbox"/>            |
| <b>Capability</b> –Low knowledge of financial matters or low confidence      | <input type="checkbox"/>            |
| <b>None of the Above</b>   | <input checked="" type="checkbox"/> |

## MS Amlin's Role:

- |                 |                                     |
|-----------------|-------------------------------------|
| Manufacturer    | <input checked="" type="checkbox"/> |
| Co Manufacturer | <input checked="" type="checkbox"/> |
| Distributor     | <input type="checkbox"/>            |

## Faversham's Role:

- |                 |                                     |
|-----------------|-------------------------------------|
| Manufacturer    | <input type="checkbox"/>            |
| Co Manufacturer | <input checked="" type="checkbox"/> |
| Distributor     | <input type="checkbox"/>            |

## Distribution Channel(s):

- |                                    |                                     |
|------------------------------------|-------------------------------------|
| Broker (Open Market)               | <input checked="" type="checkbox"/> |
| Broker (Single broker or Platform) | <input checked="" type="checkbox"/> |
| Direct to Commercial Client        | <input type="checkbox"/>            |
| Direct to Consumer                 | <input type="checkbox"/>            |
| Other (coverholder)                | <input checked="" type="checkbox"/> |

## Distribution Method(s):

- |                            |                                     |
|----------------------------|-------------------------------------|
| Face-to-Face ['F2F']       | <input checked="" type="checkbox"/> |
| Telephone                  | <input checked="" type="checkbox"/> |
| Online Journey             | <input checked="" type="checkbox"/> |
| Webchat                    | <input type="checkbox"/>            |
| Postal                     | <input type="checkbox"/>            |
| Email                      | <input checked="" type="checkbox"/> |
| <b>Advised Sale</b>        | <input type="checkbox"/>            |
| <b>OR Non-Advised Sale</b> | <input checked="" type="checkbox"/> |

## Summary of Product Testing:

This product has been tested in the existing market. This is an established product with a long history of demand, and as such, is deemed to meet the needs of this particular market

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**Product Review Process:**

This product was last reviewed and approved through MS Amlin's Product Oversight and Governance [POG] arrangements in November **2025**

This product is next due for review through MS Amlin's POG in November **2026**, unless there is a significant change to the product.

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**Risks and Cost:**

The **risks** and **costs** have been reviewed through MS Amlin's POG, as part of the product development process.

You should ensure that, in assessing the suitability of the product, that you identify the risks posed to the insured, and that all costs associated are appropriate to their needs.

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**Product Value:**

Product Value is the relationship between the overall price to the customer and the quality of the product(s) and or services provided. **MS Amlin considers that this product provides fair value to customers in the target market considering all the data available to us, including the pricing model used to calculate the risk. We consider this product to be fair value for the foreseeable future.**

You should be satisfied that, in offering this product, it meets the fair value expectations. Should you become aware of any information that leads you to believe the product is not offering fair value, please contact [aulconduct@msamlin.com](mailto:aulconduct@msamlin.com) without delay.

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**Conflicts of Interest:**

**MS Amlin** has identified no conflicts of interest in the manufacture, underwriting and distribution of this product. On occasions where a conflict of interest is identified, they are properly disclosed, managed and reported. Should you become aware of any information that leads you to believe a conflict of interest may be present, please contact [aulconduct@msamlin.com](mailto:aulconduct@msamlin.com) without delay.

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## MS Amlin's Product Oversight and Governance Arrangements

Following the implementation of the Insurance Distribution Directive ['IDD'] on 1st October 2018 and the Pricing Practices changes from 1<sup>st</sup> October 2021 and 1<sup>st</sup> January 2022, this document outlines MS Amlin's approach to Product Oversight and Governance to demonstrate the way we design, monitor, review and distribute our insurance products.

### Why are we telling you this?

As part of the regulatory framework MS Amlin adheres to, we are informing you of the product governance arrangements we have in place for designing, monitoring, reviewing, and distributing of this product. The key areas outlined cover the various processes we have in place to monitor our products as well as the information we may require from brokers/coverholders (distributors) throughout the lifecycle of a product.

### Product Development Process

The product development process has been designed to ensure that we have a consistent approach to the development of new products, or significant revisions to existing products.

### **Product Review Process**

The product review process ensures that those already within the market continue to be designed in a way that meets the needs of the target market and offers fair value to consumers.

This document confirms the target market, product information and has been assessed as having Fair Value using MI relating to the following:

- Nature of the product and the coverage provided
- Cancellation rates
- Claims volumes, declination rates and average claims pay out
- Loss ratios
- Customer feedback including complaint volumes and root cause analysis
- Pricing model and the total acquisition costs including commissions and other distributor remuneration
- The reasonableness of any admin and/or cancellation fees
- Suitability of the distribution strategy

### **Information for brokers and other distribution partners**

As we carry out these reviews, we may request information from brokers/coverholders to be able to evidence that our products are being distributed as intended - examples of this could be evidence that the product has been sold to the right target market or complaints received relating to the product. In most instances we will hold this data already on our systems, but there will be occasions when we may request it from relevant brokers. We will endeavour to provide adequate notice where we seek this information from you.

### **Further Information**

If you have any questions, please contact your MS Amlin representative.