

## Fair Value Assessment Outcome:

Product – COMMERCIAL COMBINED INSURANCE

Insurer/Provider – Various – See Product Overview Below

### KEY FINDINGS;

#### Product Overview

Commercial Combined Insurance comprising of Property and Liability cover from a panel of insurers plus Equipment Breakdown cover and Cyber cover from HSB Insurance, and Legal Expenses cover from ARAG Insurance.

See Manufacturer's Target Market Statements for detail on the range of customers the product is designed for as well as the groups of customers for whom the product is not appropriate and will not provide the intended value.

In summary, the product is for commercial clients that require a policy of insurance that covers the assets, earnings and legal liabilities of their business. The product is not suitable for non-commercial clients or commercial clients who do not have the aforementioned requirements.

#### Date Fair Value assessment completed – December 2023

The data reviewed for this assessment has been drawn from the policies sold between 1<sup>st</sup> October 2022 and 30<sup>th</sup> September 2023.

#### Fair Value Assessment Outcome:

The outcome of the review shows the product delivers value. This product will therefore be monitored and reviewed again in 12 months as per PROD 4.2.34 requirement to undertake regular product reviews.

A summary of why we concluded this product is delivering value is set out below:

- The product performance metrics do not raise any major concerns and are explained in detail below.
- The product is a high volume one from a sales perspective and the appetite and demand for this product is good. There were 3,993 policies in force at the time of review.
- The new business quotes and conversion rates are close to the company target rate of 35 % with a rate of 31.2 % being achieved within the review period.

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- The average commission for this product during the review period was 29.08 % with a fee of £25 per policy.
- The renewal retention rates company tolerance level for this product is 75 % . In the review period this product achieved a rate of 84 % .
- Cancellation rates are within company tolerance with 75 policies having been cancelled within the review period.
- No complaints have been received by Mi Specialty Ltd in relation to the sale or administration of this product.
- Our approach to this product review has utilised data and MI readily available.