

Product Value - Information Exchange Template

Carrier name	Allied World Assurance Company (Europe) dac and/or Allied World Managing Agency Limited for and on behalf of Syndicate 2232 at Lloyd's of London ("Allied World").
Broker name	
Product name and reference	Material Damage and Business Interruption Insurance PR0002 100 (08/21)
Reference/UMR [Binder]	
Reference [Class of Business]	Property
Date	September 2024

Manufacturer Information

The fields below should be completed by the carrier. The information provided should be sufficient for distributors in the chain to understand the value of the product, the intended target market and those to whom the product should not be marketed. Other information should be included (if relevant) to advise distributors of how their known or expected actions might affect the value of the product.

Product information

Product Description

- Comprehensive material damage and business interruption coverage.
- This product can be extended to include:
 - Terrorism
 - Machinery breakdown
 - Specified items all risks
 - Money
 - Book debts
 - Goods in transit
- The Material Damage and Business Interruption sections have additional extensions available depending on the customer's requirements.

Claims

Claims are handled by Allied World. Claims notifications:

corporatepropertyclaims@awac.com

Complaints

Complaints are handled by Allied World:

Allied World Assurance Company (Europe) dac / Allied World Managing Agency Limited for and on behalf of Syndicate 2232 at Lloyd's of London



19th Floor, 20 Fenchurch Street
London EC3M 3BY

Renewal Process

The renewal process and renewal notice are the responsibility of the distributor who deals directly with the customer.

Territorial Limits

United Kingdom, Channel Islands, Isle of Man.

Distribution Strategy

Our Product Approval Process considers whether the proposed distribution is appropriate for our identified target market and the competency and experience of the parties involved in the distribution of our product.

This product can be distributed via FCA authorised brokers, MGAs, and Appointed representatives with the prior agreement of Allied World. It is appropriate for the identified target market.

Brokers must enter into our standard format Terms of Business Agreement (TOBA) before we will transact business. Our preferred tool for agreeing, managing, and administering TOBAs is provided by REG Technologies.

Product Governance

Product Governance Group (PGG)

PGG is responsible for:

- Assessing Allied World products for pricing and product fair value and how they are distributed to ensure they are appropriately designed and distributed to meet the needs of the identified target market.
- Reviewing management information to ensure the product is performing in the way expected.
- Overseeing the process for the design, testing and approval of new products and significant adaptations to existing products.

PGG has senior management representation and includes Legal & Compliance. It is chaired by the relevant Chief Underwriter Officer and meets at least quarterly.

Product Approval Process

The Product Approval Process document outlines the approval process and is applicable to products issued by Allied World Assurance Company (Europe) dac and Allied World Managing Agency Limited for and on behalf of Syndicate 2232 at Lloyd's of London.

New products and/or significant changes to existing products are evaluated and approved prior to customer distribution and the process considers the Customer Risk Assessment Form (CRAF) which captures:



- Underwriting and regulatory information
- Acquisition costs and fees
- Customer risk
- Target market
- Product risk / product testing
- Sales risk / assessment of distribution of product
- Service risk

No significant adaptations have recently been made to the Material Damage and Business Interruption Insurance, reference PR0002 100 (08/21).

Product Testing

The Product Approval Process considers what product testing is appropriate for new products or where there has been a significant adaptation to an existing product, what has been done and whether that is commensurate with the product and its complexity.

Product Reviews and Fair Value

Our product governance process requires a review of our products and target market statements at least annually to determine if the product offers fair value to the end customer.

These reviews consider the:

- Target market and any changes in the foreseeable future,
- Distribution strategy,
- Remuneration structures,
- Product information and performance (considering complaints and actual vs expected loss ratios),
- When wordings were reviewed by Legal Counsel,
- The experience of those involved in product manufacturer; and
- Distribution feedback where available from distributors and customers.

Vulnerable Customers

Allied World is committed to providing positive outcomes to all customers, including the identification, assessment, monitoring and management of customers with vulnerabilities.

Fair Value Attestation 2024

We attest that the product represents Fair Value to its intended target market for a reasonably foreseeable period and is subject to distributors:

- Not charging customers additional amounts over and above the gross premium quoted by us without first determining that they do not have a detrimental effect on the value of the product.
- Highlighting to customers the key exclusions and limitation of the policy.
- Ensuring that no duplicate cover exists or is caused by add-on where that cover is already provided by the policy as this may affect the intended Fair Value of this product to the customer.



Target market
<p>What is the product? A commercial lines general Property Damage and Business Interruption insurance product suitable for business customers.</p> <p>Who is the product designed for? This product is designed to for customers who run medium to large size businesses or commercial enterprises from one or more commercial premises in the United Kingdom and Territories as defined within the policy document.</p> <p>What are the Target Classes? Public Finance Initiatives (PFI), real estate, infrastructure, chemical, engineering, wholesale, retail, food & beverage, and telecoms. We target risk managed clients with appropriate self-insured retentions.</p> <p>What customer need is met by this product? Property Damage and Business Interruption insurance.</p> <p>How can the product be purchased? This product is sold by brokers directly to the customer.</p>
Types of customer for whom the product would be unsuitable
<p>This product is not:</p> <ol style="list-style-type: none">i. Designed for and would not be expected to provide fair value to customers who fall outside the identified target market.ii. Suitable for consumers as defined by the FCA. A consumer is classed as any person who is acting for purposes which are outside their trade or profession.
Any notable exclusions or circumstances where the product will not respond
<p>Important Conditions</p> <ul style="list-style-type: none">• There are conditions which are precedent to our liability, and these are clearly stated in the policy wording. These conditions oblige the Insured to act in a certain way or stipulate a contingency upon which the validity of the Policy or a claim depends. It is the responsibility of the distributor to familiarise themselves with the conditions precedent and seek clarification from us if unclear.• Duty of good faith.• Assignment.• Rights of third parties.• Reasonable precautions.• Statutory regulations.• Cancellation.• Claim payee.• Currency.



- Designation.
- Inspection and audit.
- Premium payment.
- Disputes.
- Law and jurisdiction.
- Coinsurance.

Key Exclusions

- War.
- Nuclear.
- Electronic data.
- Terrorism (subject to PoolRe buy back in the UK).
- Transmission and distribution lines.
- Mechanical and electrical breakdown.

Other information which may be relevant to distributors

For general product governance queries and return of the completed Product Information Value Template please email:

productgovernance@awac.com

For Underwriting queries please email your Allied World Underwriting contact:

name.surname@awac.com

Date Fair Value assessment completed	2024
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Expected date of next assessment	2025
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Carolyn Shreeve

SVP, Chief Underwriting Officer, Europe

Allied World Assurance Company (Europe) dac

Allied World Managing Agency Limited for and on behalf of Syndicate 2232 at Lloyd's of London

19th Floor, 20 Fenchurch Street

London EC3M 3BY

United Kingdom



<p>The following should only be completed <u>after</u> the Broker Information section below has been completed and provided by Distributor 1.</p>	
Total commissions	
Total fees	
Total other Distributor remuneration	
Distributor Information	
<p>The fields below should be completed for all Distributors in the chain. Distributor 1 should be the Distributor in direct contact with the carrier and the highest Distributor number should be the Distributor in direct contact with the customer. The information provided should include the type and amount of remuneration (including fees and commissions) of each Distributor, where this is part of the premium or otherwise paid by the customer, for the product.</p>	
Distributor 1 – [insert name]	
Retained commission	
Fees	
Other remuneration	
Explanation of activities provided	
<i>Select all that apply:</i>	
Direct – The product is distributed directly to insureds. The broker’s role is to understand the demands and needs of the insured and then obtain quotations from insurers.	Yes/No
Wholesale - The broker works on the producing brokers/Appointed Representative instructions paying due regard to the best interests of the end client.	Yes/No
Advised – the product is sold on an advised basis	Yes/No
Non-Advised – the product is sold on a non-advised basis	Yes/No
Claims – the broker provides claims first notification of loss	Yes/No
Other – please describe	Yes/No
Information on any ancillary products/activities sold alongside the product which may affect the product’s value.	
<i>Select all that apply:</i>	
Legal expenses	Yes/No
Gap cover	Yes/No
Key cover	Yes/No
Emergency home cover	Yes/No
Loss recovery (pays for a loss assessor to act on insureds behalf)	Yes/No
Breakdown cover	Yes/No
Windscreen cover	Yes/No
Courtesy car cover	Yes/No
Risk Management services e.g. health & safety assessment, consultancy	Yes/No
Premium finance (if offered by the same provider) including fee structure	Yes/No



Other – please describe	Yes/No
Information on how the selected products above affect the product's value	
It is confirmed that the above remuneration paid by the customer is consistent with the regulatory obligations of Distributor 1.	Yes/No
Distributor 2– [insert name]	
Retained commission	
Fees	
Other remuneration	
Explanation of activities provided	
<i>Select all that apply:</i>	
Direct – The product is distributed directly to insureds. The broker's role is to understand the demands and needs of the insured and then obtain quotations from insurers.	Yes/No
Wholesale - The broker works on the producing brokers/Appointed Representative instructions paying due regard to the best interests of the end client.	Yes/No
Advised – the product is sold on an advised basis	Yes/No
Non-Advised – the product is sold on a non-advised basis	Yes/No
Claims – the broker provides claims first notification of loss	Yes/No
Other – please describe	Yes/No
Information on any ancillary products/activities sold alongside the product which may affect the product's value.	
<i>Select all that apply:</i>	
Legal expenses	Yes/No
Gap cover	Yes/No
Key cover	Yes/No
Emergency home cover	Yes/No
Loss recovery (pays for a loss assessor to act on insureds behalf)	Yes/No
Breakdown cover	Yes/No
Windscreen cover	Yes/No
Courtesy car cover	Yes/No
Risk Management services e.g. health & safety assessment, consultancy	Yes/No
Premium finance (if offered by the same provider) including fee structure	Yes/No



Other – please describe	Yes/No
Information on how the selected products above affect the product's value	
It is confirmed that the above remuneration paid by the customer is consistent with the regulatory obligations of Distributor 2.	Yes/No
Distributor 3– [insert name]	
Retained commission	
Fees	
Other remuneration	
Explanation of activities provided	
<i>Select all that apply:</i>	
Direct – The product is distributed directly to insureds. The broker's role is to understand the demands and needs of the insured and then obtain quotations from insurers.	Yes/No
Wholesale - The broker works on the producing brokers/Appointed Representative instructions paying due regard to the best interests of the end client.	Yes/No
Advised – the product is sold on an advised basis	Yes/No
Non-Advised – the product is sold on a non-advised basis	Yes/No
Claims – the broker provides claims first notification of loss	Yes/No
Other – please describe	Yes/No
Information on any ancillary products/activities sold alongside the product which may affect the product's value.	
<i>Select all that apply:</i>	
Legal expenses	Yes/No
Gap cover	Yes/No
Key cover	Yes/No
Emergency home cover	Yes/No
Loss recovery (pays for a loss assessor to act on insureds behalf)	Yes/No
Breakdown cover	Yes/No
Windscreen cover	Yes/No
Courtesy car cover	Yes/No
Risk Management services e.g. health & safety assessment, consultancy	Yes/No
Premium finance (if offered by the same provider) including fee structure	Yes/No



Other – please describe	Yes/No
Information on how the selected products above affect the product's value	
It is confirmed that the above remuneration paid by the customer is consistent with the regulatory obligations of Distributor 3.	Yes/No
Distributor 4– [insert name]	
Retained commission	
Fees	
Other remuneration	
Explanation of activities provided	
<i>Select all that apply:</i>	
Direct – The product is distributed directly to insureds. The broker's role is to understand the demands and needs of the insured and then obtain quotations from insurers.	Yes/No
Wholesale - The broker works on the producing brokers/Appointed Representative instructions paying due regard to the best interests of the end client.	Yes/No
Advised – the product is sold on an advised basis	Yes/No
Non-Advised – the product is sold on a non-advised basis	Yes/No
Claims – the broker provides claims first notification of loss	Yes/No
Other – please describe	Yes/No
Information on any ancillary products/activities sold alongside the product which may affect the product's value.	
<i>Select all that apply:</i>	
Legal expenses	Yes/No
Gap cover	Yes/No
Key cover	Yes/No
Emergency home cover	Yes/No
Loss recovery (pays for a loss assessor to act on insureds behalf)	Yes/No
Breakdown cover	Yes/No
Windscreen cover	Yes/No
Courtesy car cover	Yes/No
Risk Management services e.g. health & safety assessment, consultancy	Yes/No
Premium finance (if offered by the same provider) including fee structure	Yes/No



Other – please describe	Yes/No
It is confirmed that the above remuneration paid by the customer is consistent with the regulatory obligations of Distributor 4.	Yes/No
Distributor 5– [insert name]	
Retained commission	
Fees	
Other remuneration	
Explanation of activities provided	
<i>Select all that apply:</i>	
Direct – The product is distributed directly to insureds. The broker’s role is to understand the demands and needs of the insured and then obtain quotations from insurers.	Yes/No
Wholesale - The broker works on the producing brokers/Appointed Representative instructions paying due regard to the best interests of the end client.	Yes/No
Advised – the product is sold on an advised basis	Yes/No
Non-Advised – the product is sold on a non-advised basis	Yes/No
Claims – the broker provides claims first notification of loss	Yes/No
Other – please describe	Yes/No
Information on any ancillary products/activities sold alongside the product which may affect the product’s value.	
<i>Select all that apply:</i>	
Legal expenses	Yes/No
Gap cover	Yes/No
Key cover	Yes/No
Emergency home cover	Yes/No
Loss recovery (pays for a loss assessor to act on insureds behalf)	Yes/No
Breakdown cover	Yes/No
Windscreen cover	Yes/No
Courtesy car cover	Yes/No
Risk Management services e.g. health & safety assessment, consultancy	Yes/No
Premium finance (if offered by the same provider) including fee structure	Yes/No
Other – please describe	Yes/No
It is confirmed that the above remuneration paid by the customer is consistent with the regulatory obligations of Distributor 5.	Yes/No

