

## Fair Value Assessment Outcome:

Product – Management Liability

Insurer/Provider - AXA Insurance

### KEY FINDINGS;

#### Product Overview

Commercial Lines general insurance product suitable for business customers only providing Directors' and Officers' cover, Company Legal Liability cover and Employment Practices Liability.

See Manufacturer's Target Market Statement 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 suitable for UK, Channel Islands and Isles of Man registered private limited companies, public companies, charities, clubs and associations who require Directors' and Officers' cover, Company Legal Liability cover and Employment Practices Liability

#### 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 medium volume one from a sales perspective with 475 live policies in place at time of review.
- The new business quotes and conversion rates were above the company target rate of 35 % with a rate of 51.7 % being achieved within the review period.

- The commission level for this product is 40% as standard with an average fee of £25 per policy.
- The renewal retention rates are unavailable as this scheme has not yet been in place for more than 12 months.
- Cancellation rates are within company tolerance with just 6 policies being 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.