

## Fair Value Assessment Outcome:

Product - Management Liability

Insurer/Provider – AXA Insurance UK PLC

### KEY FINDINGS:

#### Product Overview

This is a commercial product for business owners which covers Directors & Officers Liability along with other covers such as Employment Practice Liability and Legal Liability.

We have received all appropriate information on the insurance product (PROD 4.3.1) and information about the Target Market and negative target market (PROD 4.3.4).

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.

#### Date Fair Value Assessment completed – April 2025

The data reviewed for this assessment has been drawn from the policies sold between 1<sup>st</sup> January 2024 and 31<sup>st</sup> December 2024.

#### 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 low to medium volume one from a sales perspective with 217 live policies in place at time of review so the appetite and demand for this product is low/medium.
- The new business quotes and conversion rates are in line with company tolerance (target rate of 35 % for this product), with an overall rate of 42.69 % being achieved within the



review period. Whilst it is not possible at current for us to break this down to a granular level, the overall percentages show no issues or concerns.

- The renewal retention rates are above company tolerance, with a rate of 90.0 % being achieved in the review period, meaning this product is performing as expected.
- Cancellation rates are above company tolerance, with a total of 3 received in the period of review.
- No complaints have been received by Mi Specialty within the review period in relation to the performance, sale or administration of this product.
- The average commission we received for this product during the review period was 10.5 % with an average fee of £25 per policy.
- Our approach to this product review has utilised data and MI is readily available.