

Fair Value Assessment Outcome:

Product – Property Owners Liability

Insurer/Provider – Hiscox Insurance Company Ltd

KEY FINDINGS:

Product Overview

This is a Commercial lines General Insurance product providing cover for buildings and contents, as well as additional covers suitable for meeting the demands and needs of UK Property Owners.

Target Market

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 1st January 2024 and 31st 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 moderate one from a sales perspective with 209 live policies in place at time of review so the appetite and demand for this product is moderate.

- The new business quotes and conversion rates are in line with company tolerance, with an overall rate of 47.4 % 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 within company tolerance, at 56.1 % , meaning this product is performing as expected.
- Cancellation rates are within company tolerance, with a total of 98 received in the period of review, with the consideration of cancellations for this product, when they do occur, are predominantly due to the property being sold and so the policy no longer being required.
- No complaints have been received by Mi Specialty within the reporting 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 6.9 % with an average fee of £25 per policy.
- Our approach to this product review has utilised data and MI readily available.