

PRODUCT GOVERNANCE AND FAIR VALUE ASSESSMENT

*This summary document has been created to fulfil our responsibilities under fair value regulations. This document **should not** be used as a sales or marketing tool. The client facing broker must act in the best interests of each customer individually when deciding whether to recommend a particular policy or not.*

PRODUCT NAME Care Homes Policy (New India Assurance Co. Ltd)
POLICY WORDING Care Homes Policy (New India Assurance Co. Ltd)
VERSION NUMBER (8/2021)

PRODUCT TYPE	Combined (multi-class) Policy containing Sections for Buildings and Contents, Business interruption, Glass and Sanitaryware, Money, Personal Assault, Refrigerated Stock, Goods In Transit, Employers' Liability, Public Liability, Treatment Liability, Loss Of Registration Certificate, Fidelity Insurance and Computer.
CO-MANUFACTURERS	<p>This product is manufactured by New India Assurance Co. Ltd and they undertake product governance and fair value assessments.</p> <p>The relevant New India Assurance Co. Ltd Product Governance Framework is attached at the back of this document.</p>
MOST RECENT REVIEW	October 2022
TARGET MARKET	<ul style="list-style-type: none"> • Commercial Customers. • Care Homes for the elderly and adults with learning difficulties. • Policyholders, and care homes, in the United Kingdom, Isle of Man or Channel Islands.
OUTSIDE TARGET MARKET	<ul style="list-style-type: none"> • Other Classes of insurance. • Proposers or care homes outside of the UK, Isle of Man and Channel Islands. • Other types of Service User
CHARACTERISTICS OF THE PRODUCT AIMED AT MEETING THE NEEDS OF THE TARGET MARKET	<p>Cover Sections Available:</p> <ol style="list-style-type: none"> 1. Buildings and Contents 2. Business Interruption 3. Glass and Sanitaryware 4. Money, 5. Personal Assault 6. Refrigerated Stock 7. Goods In Transit 8. Employers' Liability 9. Public Liability, 10. Treatment Liability 11. Legal Expenses – <i>not available from Camberford Underwriting</i> 12. Loss Of Registration Certificate 13. Fidelity Insurance 14. Personal Accident – <i>not available from Camberford Underwriting</i> 15. Computer.

Add Ons:

Camberford Underwriting distributes a separate legal expenses product. This is available where requested and is manufactured by Arag plc (target market statements and product governance information for whom is available at www.arag.co.uk). This is NOT the Section 11 (Legal Expenses) of the New India Policy, because the separate Arag product we distribute has wider cover specifically for the care home sector.

Optional Covers

Whilst it is expected that Public/Products Liability coverage will be purchased, the Sections of the product are available optionally – designed to allow proposers and intermediaries to select to suit requirements.

Key Exclusions & Limitations

- Limits of Liability or Sum Insured apply throughout the Product.
- There are conditions which are precedent to Insurer's liability. These oblige the policyholder to act in a certain way or stipulate a contingency upon which the validity of the Policy or a claim depends.

Product Literature

The Policy Wording and Policy Summary are issued with each new and renewal quotation; and samples available upon request to product.governance@camberford.com.

DISTRIBUTION STRATEGY

This product is intended for distribution via FCA authorised brokers only. Brokers must be approved by us and enter into our standard format TOBA. Our preferred method of agreeing TOBAs is via REG. Brokers may access this product via our website enquiry forms or by submitting information by email to our relevant team.

Sub-broking is not permitted.

COMMISSION

We will agree a commission rate with each distributor. All distributors should be able to demonstrate that commission received bears a reasonable relationship to the actual costs of their contribution/level of involvement or benefit added by them to the distribution arrangement. We may ask you to justify your commission rate and if we are not satisfied that it is appropriate we may seek to amend it.

OTHER REMUNERATION

We will charge an Underwriting Fee on any new business or renewal policy taken up. Full details regarding our fees are detailed within quotation and schedule documents. We review our fees annually to ensure that they remain appropriate.

We may ask you provide details of remuneration you earn in connection with the sale of our policy. This includes any fees, premium finance earnings, earning from non-insurance products or add-ons sold alongside our policy.

You must ensure that your arrangements are consistent with FCA rules on conflicts and incentives. You should review all remuneration arrangements at least annually and share the outcome of that review with us on request.

FAIR VALUE REVIEW

New India Assurance Co. Ltd, as product manufacturer, have their own product governance process (this is attached).

Our product governance process requires a full review of all products at least annually to determine if the product offers fair value to the end customer. These reviews consider the target market, distribution strategy, remuneration, marketing, product information, product performance, product design and feedback from distributors and customers.

We also monitor conversion rates, renewal retention, cancellations, loss ratios, claims and complaints as part of this review process.

We are satisfied that the product offers fair value to its intended Target Market, subject to distributors:

- not charging customers additional amounts over and above the gross premium plus underwriting fees quoted by us without first determining that they do not have a detrimental effect on the value of the product.
- ensuring that no duplicate cover exists or is caused by an add-on where that cover is already provided by the policy.

CUSTOMERS FOR WHOM THE PRODUCT IS NOT EXPECTED TO PROVIDE FAIR VALUE

This product would not be expected to provide fair value to policyholders / risks that fall outside the Target Market.

RELEVANT DOCUMENTS AVAILABLE

- Policy Wording
- Policy Summary

Please contact product.governance@camberford.com for samples.

We welcome any feedback from our distributors on the performance of our products. All feedback will be considered in our next product review.

If you believe that your staff would benefit from additional training on this product please let us know by making contact by email to product.governance@camberford.com.

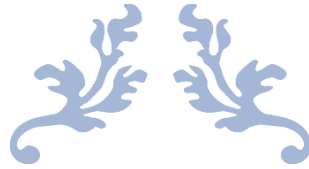


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PRODUCT GOVERNANCE FRAMEWORK

STANDARD TEMPLATE



Dear Business Partner,

I would like to take the opportunity to convey my sincere thanks for your continuous support. I am sure that our relationship shall continue to grow over the coming years.

As an Insurer, we expected to comply with the existing and forthcoming FCA Product Governance obligations. For the sake of clarity and good order, we have prepared a template which confirms your commitments towards product governance framework.

With respect to each product, we confirm that;

1. We are the product manufacturers.
2. We have carried out a PROD assessment of each including the following exercise;
 - a. Identified the target market for each product.
 - b. Tested each product. Our distribution chains have been tested over the time and our distribution channels & partners have necessary knowledge, expertise, and competence to understand the features of our insurance products.
 - c. Regular monitoring and reviewing our products.
 - d. Whenever there has been significant change or amendment to any of our product, amended product is subject to full PROD assessment.
 - e. Our products are consistent and comply with the obligations under the FCA Principles for Business and ICOBS.
 - f. Detailed characteristics and features of each product is attached herewith.
3. This is our standard template for all our existing insurance products. We request you to kindly go through this template in accordance with the terms of business agreement (TOBA) agreement with us. It may be possible that you may have been entitled to sell our few products.

With kind regards,



(Mukta Sharma)

Chief Executive,

29 Jul 2022

CARE HOME INSURANCE

This specially developed policy lets you get on with your day-to-day business and leaves us at New India to deal with the unexpected. Designed specifically for Care Homes, it combines your essential business insurances in one document. For more information, you may access <https://www.newindia.co.uk/care-homes/> .

GENERAL – Care Home Insurance

As a product manufacturer, we will provide you with certain information to support you in conducting an assessment of the product.

This document sets out appropriate information in respect of:

- insurance product(s).
- identified target market for the scheme and insurance product(s).
- product approval process.

This information is intended to provide you with appropriate information to support you in:

- Understanding the insurance product(s) and their intended value.
- Understanding the identified target market for the insurance product(s).
- Understanding who the insurance product(s) is not compatible for.
- Carrying out distribution activities for the relevant insurance products in accordance with the best interests of their customers; and
- Distributing the product(s) appropriately to the identified intended target market.

SECTION ONE; Care Home Insurance

Product Features and Characteristics

In this section we set out the salient product features and highlighting any exclusions. Detailed information can be found on the NIAUK Website.
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This is a summary of the main features, benefits and limitations of the Insurance Policy provided by The New India Assurance Co Ltd for your business. Full details of the covers including entire terms conditions and exclusions are set out in the Insurance Policy.

Type of Insurance and Covers: The policy provides covers in packaged form for **Care Homes**. It is a non-investment insurance contract. Its duration is 12 months unless the Insurance intermediary has arranged a different period with The New India Assurance Company Limited.

Basic Covers

Section	1	Loss or damage to Trade Contents
	2	Business interruption
	3	Breakage of Glass and Sanitaryware
	4	Loss of Money
	5	Personal Assault
	6	Refrigerated Stock
	7	Goods in Transit
	8	Injury to employees

- 9 Public Liability covering accidental injury to residents and the public, accidental loss or damage to property and accidental interference with or loss of enjoyment of property as a result of obstruction, trespass or nuisance.
- 10 Treatment Risk
Plus 24-hour Telephone Legal Helpline

Additional Options

- Section 1 Damage to Buildings, Damage to Residents' Effects.
- 3 Coverage for Signs Special Glass.
- 11 Legal Expenses (arranged by ARAG plc - Insurer is SCOR UK Company Limited).
- 12 Loss of Registration Certificate.
- 13 Fidelity Insurance.
- 15 Breakdown and Damage to Computers

Terrorism

Terrorism is excluded under the policy other than for the Employers Liability Section. Should you require Terrorism Cover under Section 1 – Building and Contents and Section 2 - Business Interruption the same can be provided in selected cases at an additional premium, which must be paid to New India within 30 days. Terrorism cover is not available for risks in Northern Ireland

The Cost

The cost of the Basic Covers depends broadly upon following factors:

- The occupation of Premises to be insured.
- Value of insurable Contents, Stock, and additional optional sections.
- Location of insurable Premises.
- Number of Employees.

Average

It is a clause requiring that you bear a proportion of any loss if your assets were insured for less than their full reinstatement value. This proportion is the amount for which the assets were underinsured, expressed as a percentage of their indemnity value at the time of the loss.

Therefore, if you do not insure for the full value of your premises, contents, stock, or gross profit and made a claim, any claim payments made under the policy especially section 1 and 2 will be proportionately reduced.

Be sure to avoid this situation by insuring for full amounts.

Excess

You have agreed to bear the first amount of each claim for loss or damage under the following:

- Section 1 - Building and Contents
 - i) the first £250 of each and every occurrence of loss, destruction or damage unless caused by subsidence, heave or landslip

- ii) the first £1,000 of each and every occurrence of loss, destruction or damage caused by subsidence, heave or landslip
- Section 3 - Glass - £250 of each and every occurrence of loss.
- Section 4 - Money - £250 of each and every occurrence of loss.
- Section 6 - Refrigerated Stock - £250 of each and every occurrence of loss.
- Section 7 - Goods in Transit - £250 of each and every occurrence of loss.
- Section 11 - Legal Expenses
 - i) the first £5,000 of Legal Costs and Expenses incurred for each and every Compliance & Regulation and Statutory Licence Appeal claim
 - ii) the first £1,000 of Legal Costs and Expenses incurred for each and every Employment and Employment Compensation Awards claim
 - iii) the first £500 of Legal Costs and Expenses incurred for each and every claim for other covers
- Section 15 - Computer - £250 of each and every occurrence of loss.

Significant exclusions or limitations

- Theft of materials forming part of the building.
- Property in the open.
- Pollution unless sudden and accidental.
- Water table changes.
- Minimum security conditions.
- Cooking conditions.
- Money in transit conditions.
- Reasonable Precautions condition.
- Electrical inspection condition.
- Waste.
- Portable heaters.
- Unoccupied premises.
- Loss of money arising from dishonesty of Employee not discovered within 14 days.
- Company Records Condition.
- Felt Roof Condition.
- Cancellation Condition.
- Reinstatement of Sum Insured following a claim.
- Crisis Communication cover under Legal Expenses section is limited to £25,000.
- Legal Expenses subject to Reasonable Prospects of Success.
- Communicable Disease.
- Cyber Loss.

For Employer's liability, exclusion of offshore activities and limit of £5,000,000 arising out of Terrorism.

For Public and Products liability exclusion arising from asbestos, offshore activities, electromagnetic fields, terrorism, motor, professional indemnity, Communicable Disease, Cyber Loss, diagnosis (other than by qualified registered nurses), surgery and the prescription

and administration of drugs and medicines other than the administration of drugs in accordance with the Care Standards Act 2000, the Regulation of Care (Scotland) Act 2001 or the Health & Personal Social Services (Quality, Improvement and Regulation)(Northern Ireland) Order 2003 as appropriate.

SECTION TWO – Target Market

In this section we set out information on the target market.

The target market includes SME / Commercial having insurable interests in Care Homes.

The product is suitable and especially designed to provide insurance coverage to registered Care Homes.

The product is not suitable for private retail customers other than care homes.

We have not identified any vulnerable customers as this is a commercial product.

SECTION THREE – Distribution Strategy

The following distribution chains are suitable for this product.

- Direct
- Via a wholesale broker
- Via a retail broker

The following methods of distribution are appropriate for this product.

- Online
- Face to face

The following types of sales are appropriate for this product.

- Advised

SECTION FOUR – Remuneration

Product is based on gross basis inclusive of commission. We have considered the appropriateness of fees and charges and keep this under regular review as part of our Product and Pricing Committee. Please see Terms of Business Agreement for the full fee structure.

SECTION FIVE - Product Approval Process

As a manufacturer, New India Assurance Co. Ltd designs products with the target customer in mind and select distribution channels that are appropriate for target market.

Our senior leadership team takes overall responsibility to ensure that our products and services meet the needs of customers and that they perform as they are expected to.

Our approval process is designed to identify whether the product provides fair value to customers. We monitor products across the product lifecycle in order to assess whether they continue to meet our customers' needs and are delivering fair outcomes and value. We have established governance procedures to maintain and operate a product review process on an annual basis or earlier for any significant adaptations. Our governance process

includes regular monitoring and review including taking any remedial action if appropriate. We will test each product including performing scenario analysis when needed. Before launch, all new products are approved by the Product and Pricing Committee.

SECTION SIX – Your Responsibilities

To ensure you have adequate information for the appropriate distribution of the product(s), kindly read this document in conjunction with proposal, policy, and endorsement documents as collectively they provide more detailed information on the products.

You should ensure that you fully understand the insurance product and contact us if you require any additional information or would like to discuss training needs.

We remind you of your responsibility to ensure the distribution arrangements that any remuneration is consistent with your regulatory obligations, including SYSC 19F.2 (remuneration) and SYSC 10 (conflicts of interest).

You must advise us of any increases in remuneration.

You must advise us if any product is not delivering value and take any appropriate remedial action.