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SPECIALIST INSURANCE SOLUTIONS

Geo Underwriting Services Limited
Target Market Statement & Fair Value Assessment

Geo Underwriting Services Limited (GUSL) is a Managing General Agent (MGA) and predominantly a manufacturer or lead co-manufacturer of the products it distributes. GUSL acts at all times as agent of the Insurer in accordance with the terms of our delegated underwriting authority agreements.

GUSL has undertaken a Fair Value Assessment (FVA) in accordance with the enhanced product governance requirements introduced by the FCA through their General Insurance Pricing Principles (GIPP) market study PS21/5.

This document is intended to provide a summary of the Fair Value Assessment outcome as well as pertinent information relating to the identified Target Market. It Is Intended for use by our distributors, not for customers.

Product	**Freetime Pleasurecraft**
Class of Business	**Pleasure craft**
Capacity	**Tokio Marine HCC**
Geo's Role	**Lead Co-Manufacturer**
Date of FVA	**2026**

Fair Value Assessment Output

As per our regulatory responsibilities under PROD 4.2 , this product has been subject to our Product Governance Process and has been approved by our Product Governance Committee as offering Fair Value both now and in the foreseeable future.

In undertaking the Fair Value Assessment, a wide range of factors were considered including, but not limited to, the following;

- The complexity of the insurance product.
- The nature of the product including key benefits and any limitations
- The characteristics of the target market including policy stakeholders and consideration of customers with vulnerable characteristics.
- The type and quality of services provided to customers.
- The distribution channel including any remuneration information and the expected total price to be paid.
- Appropriate data including claims frequencies, claim acceptance rates, average claim pay outs, loss ratio, customer tenure, cancellation rates and complaints data.
- The likelihood of customers not receiving good outcomes / fair value
- Any conflicts of interest and where they arise how they are mitigated

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Product Features

Cover is provided for Hull, Personal Belongings, Personal Accident, Trailers/Trolleys, Specified Equipment and Liability risks for individual boat owners using their vessels for Private & Pleasure or Skipper Charter purposes within UK and European waters, where the vessel's sum insured does not exceed £750,000.

The policy offers protection against a broad range of insured perils, including accidental damage, fire, explosion, sinking, grounding, collision with submerged objects, water ingress, impact damage, storm damage, and loss or damage arising from the negligence of third parties.

The Customer need which is met by this Product

This insurance provides cover for your vessel and your legal liability arising from incidents that occur within the cruising limits, transit areas, and locations specified in the policy schedule during the period of insurance, provided the premium has been accepted by the insurer.

The product is designed to provide financial protection against the loss of or damage to a pleasure craft resulting from insured events such as accidental damage, fire, theft, or malicious acts. It also includes third-party liability cover, protecting the insured against legal liabilities and associated costs arising from injury to other persons or damage to third-party vessels or property.

Target Market - Customer whom the Product has been designed for

The Freetime Pleasurecraft product has been developed to meet the needs of individuals seeking insurance for vessels used solely for private pleasure or skipper charter purposes and is suitable for:
Boat owners requiring cover for their vessel (hull) and third-party liability.
Individuals who are permanent residents of the United Kingdom.
Owners of UK-registered vessels that are used and moored within UK and European waters.
Vessels with a sum insured not exceeding £750,000.
Boat owners aged 16 years and above.

The product is designed to provide protection for eligible pleasure craft owners whose insurance requirements align with the policy's scope of cover, underwriting criteria, and territorial limits.

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Customers for whom this product is unsuitable or would not provide the intended value

This product is not suitable for customers in the following circumstances:

Owners of vessels that are primarily used, operated, or moored outside UK and European waters.
Individuals requiring cover for uses other than private pleasure or skipper charter activities.
Vessels with a value or sum insured exceeding £750,000.

Notable Exclusions or Circumstances where the Product will not respond

The following key exclusions apply to this policy.

Loss or damage arising from gradual deterioration, wear and tear, or defects that could reasonably have been identified through routine inspection, ongoing maintenance, or recommendations made by a surveyor.
Loss or damage caused by mildew, mould, dampness, osmosis, insects, marine borers, barnacles, marine growth, fungi, or molluscs.
Loss of or damage to portable items, including personal belongings and equipment, resulting from any insured peril whilst such items remain on board the vessel during the laid-up period.
The cost of repairing or replacing any part that fails due to a fault, defect, or condition that was known to the insured, or where the damage is attributable solely to that fault.
Loss, damage, or failure of machinery where the sole cause is the mechanical or electrical breakdown, failure, malfunction, or derangement of a component part.

Additionally, Geo may also apply additional exclusions, restrictions, or special terms at an individual policy level based on the risk information disclosed during the quotation process.

We recommend that all policy wordings are carefully checked by both the broker and the client to ensure the cover meets the client's requirements and to allow the client to make an informed decision on whether the product is suitable for them.

Copies of our Policy Wordings and Summaries/ IPID's are available upon request. Additionally, we are happy to provide additional training on the product if required

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Distribution Strategy

Our Distribution Strategy, approved by the Executive Committee & Board, is to wholesale products through third party insurance brokers & intermediaries. It is a core part of the MGA strategy to ensure our complex products are sold via regulated intermediaries who provide advised sales. The distribution chain can involve the use of sub delegated authority agreements, panel arrangements, aggregators and any other channels provided these are contractually authorised by capacity and risk assessed as part of our product approval process.

Risk based due diligence is completed on all third parties in line with our Agents and Third-Party agency process. All intermediaries who transact business with us must meet a minimum level of due diligence and financial checks to maintain an ongoing terms of business agreement (TOBA).
Those who distribute products on our behalf must act in accordance with the customers demands and needs to ensure the product is distributed to the intended target market.

All intermediaries who distribute our products are reminded of their regulatory responsibilities to assess fair value to customers where separate fees are charged and/or premium finance is arranged. This also applies where an add-on product (not manufactured by us) is sold alongside the core product.

If a distributor identifies a product is not providing fair value as a result of the distributor's own arrangements, including remuneration, the distributer is obliged to notify Geo immediately. Geo will then assess the circumstances and take action as appropriate.

Commission, fees or charges passed onto the customer must be proportionate to the service provided and provide fair value.

We will from time to time request additional management information from our distributors to support the fair value assessment process. This may include;

- The type and amount of remuneration of each member in the distribution arrangement in relation to the core insurance product including commissions, fees and premium finance charges paid by customers and details of any additional products sold alongside it.
- An explanation of the services provided by each member of the distribution arrangement.
- Confirmation from distributors that remuneration is consistent with their regulatory obligations.

Where information is not provided by a distributor, within a reasonable period of time, Geo Underwriting Services Limited reserves its rights to notify Insurers and/ or the FCA.

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Product Approval Process

Product oversight and governance controls are in place for the design, approval, distribution, and ongoing management of products throughout their lifecycle.

Our approach to manufacturing, co-manufacturing, and distributing insurance products is underpinned by a set of internal frameworks and controls to ensure we are;

- Providing customers with products and services that deliver fair value and are in their best interests both now, and in the reasonably foreseeable future.
- Adhering to regulatory and legislative requirements
- Delivering commercially viable, competitive, and sustainable products.

We maintain and operate an approval process for all of our insurance products, which is proportionate and appropriate to the nature of the insurance product, its complexities, value and associated conduct risk. Significant alterations to our existing products are also subject to the approval process.

Product Feedback

We strongly encourage feedback from distributors on our products, services and distribution methods to help ensure they continue to deliver value now and for the foreseeable future. If you do have any feedback or concerns regarding this product and it's value please contact us via your usual GUSL representative.

Date of Next Assessment	2027