

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	N&G Rivers Canals and Broads
Class of Business	Pleasure craft Insurance
Capacity	Tokio Marine HCC
Geo's Role	Lead Co-Manufacturer
Date of FVA	Nov-25

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

Product Features

The Navigators & General Rivers, Canals & Broads policy provides comprehensive cover for inland waterway vessels such as narrowboats, widebeams, Dutch barges, yachts and cruisers. It includes protection against accidental loss or damage, theft, fire, and malicious damage. Third-party liability is covered up to £3 Million, including wreck removal. Additional benefits include personal accident cover, medical expenses, and personal effects.

The Customer need which is met by this Product

The Rivers, Canals and Broads product family is aimed to provide cover to boating enthusiasts looking to insure their narrowboats, cruisers and yachts that are used for private pleasure use only on the UK Inland Waterways.

Target Market - Customer whom the Product has been designed for

These products are suitable for individuals:

- Who are a UK resident with their permanent residence being with the UK, Isle of Man, or Channel Islands.
- Who own a narrow board, cruiser or yacht that is to be used on British Inland Waterways only.
- Whose craft is based in the UK on British Waterways, Broad Authority or Marina mooring.
- Who own a narrow board, cruiser or yacht that are typically more than 25ft in length.
- Who own a narrow board, cruiser or yacht which does not exceed the value of £1 Million.
- Who are looking to obtain cover for the variety of risks and damages related to owning and operating a boat.
- Who require use of their vessel for private pleasure use only.

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

These products are not suitable for individuals:

- Who are not a resident of the UK.
- Who intend to use their vessel outside of British Inland Waterways.
- Who own other types of boats and sailing vessels beyond what is specified above.
- Who are looking to ensure jet skis, personal watercrafts or jet bikes.
- Who require use of their vessel for hire, charter, reward, or any other commercial activity.
- Who own vessels that are registered to anywhere outside UK, Isle of Man, Jersey or Guernsey.
- Who have any unspent criminal convictions or any pending prosecutions.
- Who have ever had insurance refused, cancelled, or offered with terms imposed.

Notable Exclusions or Circumstances where the Product will not respond

The following notable exclusions apply. In addition, Navigator's & General may impose further exclusions and restrictions at policy level based on the risk profile disclosed to us at quotation stage.

- Loss or damage caused by the vessel being in an unseaworthy condition.
- Wear, tear, depreciation or gradual deterioration.
- Theft of outboard motors unless securely locked using an anti-theft device and you have safely recorded the serial number.
- Theft from the interior of the vessel unless violence and force are used to break into your vessel or place of storage.
- Theft of fixed gear and equipment from the exterior of the vessel unless violence or force are used.
- Theft of trailer whilst unattended unless secured by a wheel clamp or hitch lock.
- Theft or loss of tenders unless permanently marked with a unique identifier.
- Sails split by the wind or blown away.
- Machinery breakdown, mechanical or electrical breakdown.
- Loss or damage of personal effects unless the vessel has lockable storage.
- Loss of money, travellers' cheques, credit or debit cards.
- The vessel operating outside the cruising range shown in the schedule.
- Claims arising from pollution or contamination not caused by a sudden identifiable, unintended and unexpected incident.
- Wilful misconduct or recklessness by you or other persons in control of the vessel (including whilst under the influence of alcohol or drugs).
- Deception, criminal or deliberate acts or omissions by you or anyone acting on your behalf

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

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 distributor 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.

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

Nov-26