

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	Rural Farm Combined
Class of Business	Farm Combined
Capacity	Zurich Insurance Company Ltd
Geo's Role	Lead Co-Manufacturer
Date of FVA	Jun-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

A Commercial Combined and Household product for Farmers, Smallholders and Estate Owners. Covers are available to be selected for Farm Buildings, Produce, Livestock, EL, PL, EIL, Business Interruption, Personal Accident and Sickness, Household Buildings, Contents, All Risks. As well as many other specialists covers.

The Customer need which is met by this Product

The Rural Farm Combined Product is designed to provide insurance protection for Smallholdings to Farms of all sizes & Estates whether Farmer Owned, Tenant farming, Property Owner – Lets Farm(s) & house(s) to a Tenant(s), Trust or Charity Owned, Shared Farming, Contract Farming or some Agricultural Contracting. The product also provides insurance protection for most diversifications now carried out by farmers such as B&B, camping, forestry, commercial lets, farm shops, storage, livery and many more.

Target Market - Customer whom the Product has been designed for

Smallholdings to Farms of all sizes & Estates whether Farmer Owned, Tenant farming, Property Owner – Lets Farm(s) & house(s) to a Tenant(s), Trust or Charity Owned, Shared Farming, Contract Farming or some Agricultural Contracting. As well as cover for most diversifications now carried out by farmers such as B&B, camping, forestry, commercial lets, farm shops, storage, livery and many more

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

Businesses that do not carry out any agricultural activities. Non-commercial customers who are better suited to a consumer policy.

Notable Exclusions or Circumstances where the Product will not respond

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

The following exclusions apply across all sections of the policy: War risks; Nuclear risks; Pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds; Electronic risks; Diminution of Value; motor vehicles where motor insurance is legally required; Loss as a result of defective design, material or workmanship; Disappearance and shortages (except for cover available for livestock); Loss or damage caused by Insured's wilful act or neglect; Terrorism except in respect of private house(s) or contents insured in the name of an individual. Damage cost or expense caused by nuclear chemical or biological contamination resulting directly or indirectly from Terrorism is excluded in respect of private houses insured in the name of an individual.

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

2027