

British Engineering Services

Review Type:	Target Market Statement
Review Completed:	Q4 2025
Review Period:	2024/25
Next Review:	2026

Product Target Market Statement (1/3)

British Engineering Services

What is this Product?

- British Engineering Services Limited is a Company specialising in testing, inspection and certification services to Customers plant, equipment and machinery. They provide this Insurance as an add-on to their service. It is a Commercial Lines Product suitable for Customers who require insurance for Sudden and Unforeseen Damage (S&UD) to their inspected machinery, plant and equipment with the following mandatory covers provided:
 - **Sudden and Unforeseen Damage**—Covers Breakdown, Pressure Explosion and Collapse.
 - **Owned Surrounding Property** - Damage to owned surrounding property belonging to, or in the control of the Insured, due to pressure explosion.
- Depending on the Customer's requirements, cover can be extended to include the following optional covers:
 - **Loss of Contents** - Loss of Contents from storage vessels.
 - **Goods Handled** - Damage to goods being lifted.
- Key benefit limits include:
 - Insurance of specified items of Plant and Machinery at Situations indicated in the Schedule.
 - Own Surrounding Property Damage - Damage to surrounding property belonging to the Policyholder or for which the Policyholder is responsible caused by the Pressure Explosion up to a standard limit of £2,000,000.
 - Temporary Removal - Cover while the machinery is temporarily removed for repair, maintenance, overhaul or inspection up to £100,000.
 - Additional Property - Automatic cover for additional property of a similar type from the time of installation up to £100,000.

- For full terms and conditions of the covers provided and their limits, please refer to the Policy Document, a copy of which is available on request.

What Customer need is met by the Product?

- This Product is designed to protect owners and operators of process machinery, plant and equipment against Sudden and Unforeseen Damage.
- Customers can vary in size from a small tool workshop to a large multi-site manufacturing company.

Who is this Product designed for?

- This Product is designed for commercial Customers owners of all sizes and nature, who use British Engineering Services for their engineering inspection services for plant and equipment.
- Machinery may include Boiler and Pressure Plant, cranes and lifting machinery, lifts and hoists, electrical and mechanical plant.

Product Target Market Statement (2/3)

British Engineering Services

Who is this Product not designed to support, or are there any features that you should be aware of when offering this Product to Customers?

- This Product is not suitable for Consumers.
- Customers with Premises outside of the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, and the Isle of Man.
- Customers that have an existing policy in place providing the same cover and whereby purchasing this Product would give dual cover.
- Customers subject to any Economic Financial or Trade sanctions imposed by the European Union or United Kingdom, or any other prohibition or restriction imposed by law or regulation of the country of which the Policy is issued or would otherwise provide cover.

Vulnerable Customers

- This product has not been designed to target customer groups with a higher likelihood of vulnerability. However, we recognise that any customer may experience vulnerability at any time due to personal circumstances.
- We design all products with this in mind and aim to avoid features that could lead to poor outcomes for customers with characteristics of vulnerability.
- Our colleagues and distributors are expected to be able to recognise when a customer may be in vulnerable circumstances and to respond with empathy and flexibility. This includes taking appropriate steps to understand the customer's needs and provide support that enables informed decision-making.

Can this Product be sold with or without advice?

- This Product can be sold with, or without advice depending on Distributor's preference and in accordance with FCA regulations.

How can this Product be sold?

- This Product is always intermediated and sold via a Broker or Intermediary.
- This Product can be sold face to face, via telephone or by submitting an email application.
- The sales journey must identify Customer eligibility and that this Product, and any optional elements, are consistent with the Customer's demands and needs. The sales journey must also ensure that key details are presented to the Customer in a timely manner that allows informed decisions to be made.

Eligibility and conditions, exclusions and excesses that may impact the outcomes that Customers may reasonably expect

- The Distributor must always consider whether they have the correct product to meet the Customer's needs.
- The Product is not suitable for customers who do not use the services of British Engineering Services.
- Eligibility and risk acceptance criteria will restrict access for certain risks which are outside of Intact's current strategy and risk appetite.
- Policies for this Product are individually underwritten and individual indemnity limits, exclusions, and excesses that apply will depend upon the risk insured and will be stated in the Policy Quote and the Policy Schedule.

Product Target Market Statement (3/3)

British Engineering Services

How is the value of this Product assessed?

- We assess Product Value using quantitative (i.e. metrics) and qualitative information (e.g. processes and controls), including data from our Distributors relating to service and remuneration¹, as appropriate.
- This Product has been approved in line with Intact's Product Governance processes, including consideration of:
 - the value of the Intact Product: this includes: (i) Cover – whether the level of benefits and relevant exclusions offers value to the Customer, (ii) Utility – whether the Product is being used by the Customers of the intended target market, and (iii) Intact Service – whether the type and quality of services being provided is reasonable for the Customer,
 - the impact of distribution on the value: this includes whether Distributor remuneration is appropriate and bears a reasonable relationship to the services provided to the Customer, by the Distributor. If there are concerns, Intact will follow up with the relevant Distributors to agree remedial action.
- Based on the assessment performed, we have established that this Product is compatible with the objectives, interests and characteristics of Customers of the intended target market and that the remuneration charged by the majority of Distributors is not detrimentally impacting the overall Product Value. We have therefore concluded that this Product provides fair value to Customers.

What are the obligations of our Distributors?

- Manufacturer notification – all intermediaries must review their product distribution arrangements at least every 12 months and consider the impact of remuneration against the intended value of their products. Distributors must notify the Manufacturer as soon as practically possible if there are any value concerns for which remedial action is required.
- Remuneration – Distributors must ensure that any remuneration received, including any commission paid away to other parties in the distribution chain, for an insurance product does not result in the product ceasing to provide fair value to the Customer.
- Provision of information – if so requested, Distributors must provide the Manufacturer with: (i) information on the Distributor's remuneration in connection with distribution of the insurance product; (ii) information on ancillary products or services that may impact the intended value of the Manufacturer's primary insurance product; and (iii) confirmation that the distribution arrangements are consistent with the obligations of the firm under the FCA Handbook including SYSC 10 (Conflicts of Interest) and SYSC 19F.2 (IDD Remuneration).
- Price optimisation – if the Distributor is a price-setting intermediary, unless there is a reasonable basis, firms should not increase the price of the insurance product based on: (i) policies being subject to auto renewal compared to policies that are not subject to auto renewal; (ii) the Customer's vulnerability or any protected characteristics (unless the firm can rely on them under the Equality Act 2010); and (iii) where Customers purchase the policy using Retail Premium Finance.

1. Remuneration includes commissions, fees, charges, payments, and other economic or non-economic benefits.