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SPECIALIST INSURANCE SOLUTIONS

Geo Underwriting Services Limited
Target Market Statement & Fair Value Assessment

Geo Underwriting Services Limited (GUSL) operates as a Managing General Agent (MGA) and is primarily the manufacturer or lead co-manufacturer of the products it distributes. GUSL acts at all times as the Insurer's agent, in line with the terms set out in its delegated underwriting authority agreements.

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

This document provides a summary of the Fair Value Assessment outcomes along with key information relating to the defined Target Market. It is intended for use by our distributors and is not designed for customer use.

Product	**Primelet Essentials Inc Lorega 10 (Unbreakable Package)**
Class of Business	**Property Owners**
Capacity	**Axa Insurance UK plc**
Geo's Role	**Lead Co-Manufacturer**
Date of FVA	**2026**

Fair Value Assessment Output

In line with our regulatory obligations under PROD 4.2, this product has been subject to our full Product Governance Process and has been approved by our Product Governance Committee as providing Fair Value both now and and in the foreseeable future.

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

- The overall complexity of the product.
- The nature of the cover, including key benefits, exclusions, and limitations.
- The characteristics of the target market, including policy stakeholders and the needs of customers with vulnerable characteristics.
- The type and quality of services provided throughout the customer journey.
- The distribution channel, including remuneration structures and the expected total price payable by the customer.
- Relevant data and performance metrics such as claims frequency, claims acceptance rates, average claim payments, loss ratios, customer tenure, cancellation rates, and complaints information.
- The likelihood of customers not receiving good outcomes or Fair Value.
- Any actual or potential conflicts of interest and the measures in place to manage or mitigate them.

Product Features

The Primelet Essentials product is designed for landlords and provides protection against loss or damage to residential buildings and landlord contents resulting from a range of insured perils, including fire, explosion, lightning, earthquake, malicious damage, storm, flood, escape of water or domestic heating fuel, theft, and subsidence, up to the applicable buildings sum insured.

In addition to property damage cover, Primelet Essentials includes Property Owners' Liability cover of up to £2 million and Employers' Liability cover of up to £10 million for domestic employees, providing landlords with financial protection against liabilities arising from the ownership, maintenance, and management of their rental properties.

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The Customer need which is met by this Product

Primelet Essentials is a commercial insurance product designed for landlords who own residential properties as an investment and generate rental income through letting those properties. The product provides cover for buildings, landlords' contents, and associated liabilities, helping to protect landlords against a range of risks arising from property ownership and rental activities.

The policy includes Malicious Damage by Tenants cover as standard, up to a limit of £5,000, although Theft by Tenants is excluded. Landlords can also enhance their level of protection through optional covers, such as Accidental Damage, enabling them to tailor the policy to their individual requirements and select the level of cover that best meets their needs.

Target Market - Customer whom the Product has been designed for

Primelet Essentials is a commercial insurance product designed for landlords who own residential properties as an investment and let them for rental income. The product is suitable for a broad range of residential letting risks and is primarily intended for professionally let residential properties occupied under standard tenancy arrangements.

The product can also accommodate a wider range of landlord risks, including properties occupied by various tenant types such as benefit-assisted tenants, housing association tenants, students, and asylum seekers; unoccupied properties pending let; single occupancy, family lets, shared accommodation, and houses in multiple occupation (subject to acceptance criteria).

In addition, the product is suitable for single properties and portfolio landlords, certain non-standard construction properties, properties undergoing renovation with the intention to let, blocks of flats of up to 10 units, and listed buildings, subject to underwriting criteria and acceptance terms.

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

Landlords acting outside the course of their trade, business, or profession.
Properties where the tenant is conducting business activities from the insured premises.
Bedsit accommodation comprising more than 10 bedsits.
Properties of metal wall construction.
Properties with thatched roofs.
Individuals with unspent criminal convictions.
Standard owner-occupied, family residential, or leasehold accommodation.
Arrangements where a direct tenancy agreement does not exist between the landlord and the tenant.

Notable Exclusions or Circumstances where the Product will not respond

The Primelet Essentials product does not provide cover for loss or damage arising from:
Wear and tear, depreciation, settlement, shrinkage, wet or dry rot, damp, fungus, mildew, rust, infestation, vermin, insects, beetles, moths, atmospheric or climatic conditions, the effects of light, or any other gradually operating cause.
Defects resulting from faulty design, workmanship, or materials.
Building works, including renovations, alterations, extensions, or repairs.
Damage to the water, oil, or heating appliance from which the loss originates.
Theft or attempted theft occurring whilst the property is unoccupied or committed by a tenant.
Malicious damage occurring whilst the property is unoccupied.

We recommend that both the broker and the client review the policy wording carefully to ensure the cover aligns with the client's needs and enables them to make an informed decision about the product's suitability.

Copies of our Policy Wordings and Summaries/IPIDs are available on request. We are also happy to provide additional product training if required.

Distribution Strategy

Our Distribution Strategy approved by the Executive Committee and the Board is to wholesale our products through third-party insurance brokers and intermediaries. As part of our core MGA approach, we ensure that our complex products are distributed exclusively through regulated intermediaries who provide advised sales.

The distribution chain may include sub-delegated authority arrangements, panel arrangements, aggregators, or other authorised channels, provided these are contractually approved by capacity providers and have been risk-assessed as part of our product approval process.

Risk-based due diligence is undertaken for all third parties in accordance with our Agents and Third-Party Agency procedures. All intermediaries trading with us must meet minimum due diligence and financial standards to maintain an active Terms of Business Agreement (TOBA). Distributors acting on our behalf must meet customers' demands and needs and ensure the product is sold only within the intended target market.

We remind all intermediaries of their regulatory responsibilities to assess Fair Value particularly where separate fees are charged, premium finance is arranged, or an add-on product (not manufactured by us) is sold alongside the core product.

If a distributor determines that a product is not delivering fair value to customers as a result of their own distribution arrangements, including remuneration, they must notify Geo immediately. Geo will review the circumstances and take any necessary actions.

Any commission, fees, or charges passed on to the customer must be proportionate to the services provided and must deliver fair value.

From time to time, we may request additional management information from our distributors to support our ongoing fair value assessments. This may include:

- Details of the type and level of remuneration received by each participant in the distribution chain, including commissions, fees, premium finance charges, and any additional products sold alongside the core policy.
- A description of the services provided by each party in the distribution arrangement.
- Confirmation from distributors that their remuneration approach is compliant with regulatory obligations.

Where a distributor does not provide the required information within a reasonable timeframe, Geo Underwriting Services Limited reserves the right to notify the relevant Insurers and/or the FCA.

Product Approval Process

Robust product oversight and governance controls are in place to support the design, approval, distribution, and ongoing management of our products throughout their lifecycle.

Our approach to manufacturing, co-manufacturing, and distributing insurance products is underpinned by a series of internal frameworks and controls that ensure we:

- Provide customers with products and services that deliver fair value and act in their best interests both now and in the reasonably foreseeable future.
- Comply with all applicable regulatory and legislative requirements.
- Develop and maintain products that are commercially viable, competitive, and sustainable.

We maintain and operate a proportionate and appropriate product approval process for all insurance products. This process reflects the nature, complexity, value, and conduct risk associated with each product. Any material changes to existing products are also subject to this approval process.

Product Feedback

We actively welcome feedback from our distributors on our products, services, and distribution approaches to ensure they continue to deliver value now and in the foreseeable future. If you have any comments, concerns, or observations regarding this product or its value, please contact us through your usual GUSL representative.

Date of Next Assessment	2028