Caravan (Touring)

Target Market Statement

Product Type

This is an insurance product for consumer customers who require cover for a touring caravan, including standard manufacturers fixtures, fittings, furnishings and furniture, permanently installed televisions and audio equipment, awnings and equipment and other ancillary equipment relating to the use of the caravan.

Cover can be extended for contents, including household goods and personal belongings within the caravan.

Cover also extends to include legal liability for bodily injury or damage to property arising out of ownership, possession or use of the leisure home.

Characteristics of the target market (who is this product designed for?)

This product is designed for customers who:

- Are over the age of 18.
- Own a touring caravan which is located in the United Kingdom, Channel Islands or the Isle of Man.
- Require insurance protection for their caravan and its contents against events such as fire, flood, accidental damage and theft.

This product can also be extended to include cover, whilst the caravan is in Europe.

Objectives, needs and interests of the target market (considering the key features and benefits of the product)

Customers will benefit from the following policy features:

- **Caravan and its Contents:** Cover for loss or damage which occurs within the selected geographical limits.
- **Emergency Removal**: Cover for the costs of protecting and removing the caravan following loss or damage, storage costs and re-delivery to the main residence or storage address.
- **Caravan Return**: Cover for the cost to return the caravan home, if a customer becomes unwell or injured and is unable to drive (and no one can take over the towing of the caravan).
- **Loss of Use**: Cover for the hire of another caravan/alternative accommodation or travel expenses to travel home, following loss or damage to the caravan.
- **Additional Contents:** Cover for outside furniture kept within an awning.
- **Friends & Family:** Cover whilst the Touring Caravan is being used by friends and family.

- **Personal Accident:** Cover for Personal Accident type benefits for the customer, following an accident in or around the caravan.
- **Public Liability:** Cover legal liability for bodily injury or damage to property arising as a private individual out of ownership, possession or use of the caravan and its contents.

Who is this product not designed for?

This product would not be suitable for:

- Caravans stored on unregistered caravan parks or commercial premises.
- Caravans used for business, including solely for hire.
- Customers domiciled outside of United Kingdom, Channels Islands and the Isle of Man.
- Customers who require short term non-renewable cover.
- Total values of more than £75,000.
- Customers with more than two losses within the last 5 years that would have been covered by this product or a similar product.
- Caravans that are stored in areas identified by us has as having an increased risk of flooding.
- Caravans used as a permanent residence.
- Caravans that were built prior to 1990.
- Customers with more than one unspent conviction and/or pending prosecutions.
- Customers who cannot afford the annual or monthly premiums.

How do we expect this product to be distributed?

This product should be sold with the active assistance and guidance of an insurance intermediary with whom Pen has an agency, to select the appropriate level of cover. The product will only be distributed through brokers who have an agency agreement with Pen, and it will not be distributed directy by Pen to customers.

This product is suitable to be distributed via a variety of intermediated sales channels, such as face to face, telephone, email, or by postal application.

Consideration should be given to the vulnerability of customers by the intermediary who should provide any appropriate support they may need.

What are the distributor value considerations?

We expect all distributors in the chain to consider the following when selling Pen's products:

- The impact on product value of offering other products alongside this one, especially those with proportionally greater remuneration. For example, an ancillary product, elements of which may duplicate existing cover, or premium finance charged at an elevated rate of Annual Percentage Rate (APR).

- Additional commission, fees or charges added as part of distribution processes must be proportionate to the service provided, in line with those charged elsewhere, and not affect the overall value offered by the product.
- Distributors must ensure there is no duplication of cover as a result of any add-on products sold where appropriate cover is already provided by the policy.
- Distributors must familiarise themselves with the product options and extensions available and consider these when selling Pen's products to customers
- Distributors should consider the demands and needs of the customer and the Consumer Duty requirements when dealing with customers.

Scope

This document is intended to provide an indicative summary of the target market for this product and is not a summary of coverage. Please refer to separate policy documentation for full details of the coverage provided by the product.

Pen has a Product Approval Process

Pen has a product approval process in place to ensure that there is appropriate oversight of all products where Pen is either a co-manufacturer or a distributor. The process includes a risks assessment process where due consideration is given to the impact of the product on the target market and the value of the product.

A diagram of Pens product approval process can be found on the Pen website here.

Important Information

This target market statement should be used by all (co-)manufacturers and distributors of this product. (Co-)manufacturers and distributors should not create their own variation of this document. Where any party using this document has concerns about the accuracy or completeness of the information included, this should be raised to Pen urgently for discussion.

Product Fair Value Outcome – Methodology

Pen has completed Fair Value Assessment work on products we co-manufacture. This is based on groupings of products which may be similar in features and are intended to be distributed to similar target markets.

This Product Fair Value Outcome Statement is not intended to replicate our Fair Value Assessments but sets out the approach taken and the outcome of the assessment.

Distributor Remuneration

Pen agrees commission rates with each distributor and as part of the fair value assessment process has requested details of any additional fees that may be added in the distribution chain. The fee details received have been analysed and if Pen considers these could impact the value of the product this would be raised directly with distributors.

All distributors should be able to:

- Confirm annually that the commissions and fees they charge are reasonable relative to the service(s) they provide and the total cost of the product to the customer; and

- Justify that commissions and fees they charge are fair and support the intended value of the product.

How Pen Assesses Value

Pen's product governance and oversight process requires a full review of all product groups at least annually to determine if the product offers fair value to the customer.

These reviews consider the following areas:

Target market	• Target market reviewed to ensure the product meets the needs of the customer and will continue to do so for the life of the product • Identify the impact on vulnerable customers where applicable
Distribution strategy	• Appropriateness of the distribution channel, services offered and remuneration • Remuneration does not negatively impact the overall value offered by the product
Market assessment	• Market scrutiny to ensure the product aligns with current market trends
Product design/lifecycle	• Pricing • Regulatory requirements • Fees and charges • Product documentation • Performance of the product • Product changes

Customer journey	• Quality Assurance • Feedback from distribution
Claims	• Frequency and trends • Loss ratio trends
Complaints	• Feedback is reviewed to ensure the product continues to offer good benefit for customers • Reasons for complaints and volumes • Outcomes of complaints: whether they are upheld, not upheld • Identification of trends and root causes • Redress payments: volume and timescales • Financial Ombudsman Service: volume and outcomes
Fair Value Summary	
Pen has considered all relevant factors, including the total price paid by the customer, value MI, distribution and other considerations in this product design. Pen is satisfied that the product continues to provide fair value to customers and is suitable to continue to be distributed to the identified target market.	

Valid From	12/11/2025
Next Review Date	On or before 12/11/2026

(Id ref: 15)