

## Excess of Loss UK Casualty

### Target Market Statement

#### **Product Type**

This is an insurance product for commercial customers domiciled in the United Kingdom (UK), Channel Islands and the Isle of Man across a broad range of industry and trade sectors.

Excess of Loss cover, also known as Excess Layer cover, provides an indemnity above the primary or lower layers of insurance.

Covers offered are Employers Liability and Public Liability/Products Liability. The products can be offered standalone and/or can follow a primary policy underwritten by us or a primary policy from another insurer acceptable to Pen.

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

This product is designed for commercial customers based in the following trade sectors who require a higher limit of indemnity than the underlying insurance policy(ices) offer in the following sectors:

- Construction
- Manufacturing
- Demolition
- Agriculture
- Information & Communications
- Utilities
- Demolition
- Roofers
- Scaffolders
- Groundworks
- Finance, Administration and Property
- Transportation

Cover is provided to varying sizes of businesses with a turnover up to £250 million.

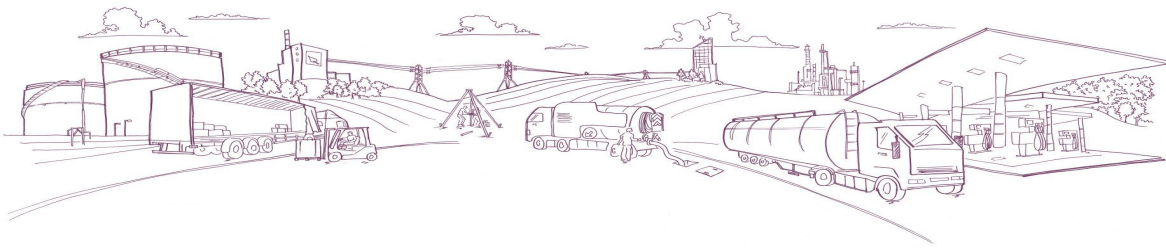
This product may be sold to vulnerable customers.

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

This product provides customers with the following features and benefits:

- Higher limits of cover than the underlying insurer can offer.
- The product will be of benefit to those customers who are seeking higher limits of indemnity.
- This product will follow the terms and conditions of the underlying insurance policy it attaches to unless stated otherwise.

We can consider tailor bespoke solutions where necessary.



### **Who is this product not designed for?**

This product is not suitable for customers and businesses:

- Domiciled outside of the UK, Channel Islands and the Isle of Man.
- Who do not require a limit of indemnity greater than their underlying policy.
- Who are involved in the following industries:

|                  |                                 |
|------------------|---------------------------------|
| Pharmaceutical   | Medical Equipment Manufacturing |
| Tobacco Products | Licensed Asbestos               |
| Water            | Rail & Air Transportation       |

### **How do we expect this product to be distributed?**

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

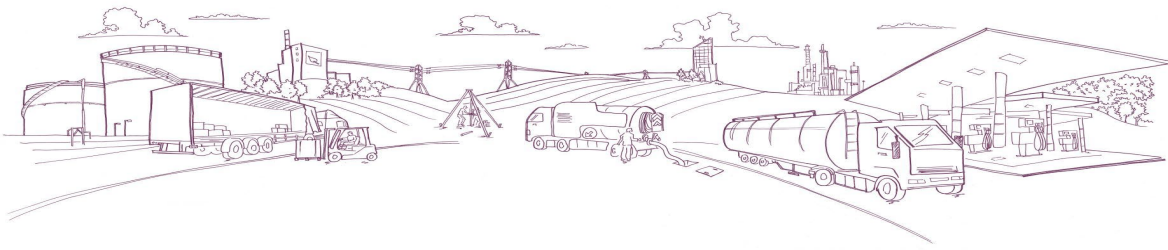
This product is suitable to be distributed via a variety of intermediated sales channels, such as face to face, telephone, email, or by postal application by an intermediary with whom Pen have an agency.

Consideration should be given to the vulnerability of customers by the intermediary and 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 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 should consider the demands and needs of the customer and the Consumer Duty requirements when dealing with customers.
- Distributors must provide a complete and comprehensive market presentation.



## **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 your product.

## **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 risk 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 Pen's 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.

## **Valid From**

01/09/2024

## **Next Review Date**

On or before the 31/08/2025