

# Target Market Statements

RSA Northern Ireland Products 2022/23



# Marine

## What is this product?

- This is a Commercial Lines General Insurance product suitable for business customers

## What customer need is met by the product?

- Marine Insurance provides comprehensive protection for three core areas: Cargo, Freight Liability and Commercial Hull.
- Cargo covers goods being shipped around the world, or while in transit in the United Kingdom.
- Freight Liability covers carriers' and/or freight forwarders' legal liability for loss of or damage to goods being moved or stored.

## Who is the product designed for?

- Cargo is for United Kingdom and European domiciled exporters or importers, manufacturers, suppliers, wholesalers, retailers, selling agents and repairers. Additionally, this product is designed for individuals who require single trip insurance protection for damage to their personal effects whilst in transit.
- Freight Liability is for predominantly United Kingdom domiciled hauliers, freight forwarders and warehouse keepers, and certain European domiciled hauliers. It covers their contractual liability for loss of or damage to customers' goods

## Who is this product not designed to support, or are there any features that you should be aware of when offering this product to your customers?

### This product is not suitable for:

- This product is not designed for any customers who are not involved in shipping goods around the world.
- This product is also not suitable for consumers as defined by the FCA. A consumer is classed as any person who is acting for purposes which are outside their trade or profession.

## Can this product be sold with or without advice?

- This Product can be sold with or without advice depending on the distributor preference and in accordance with FCA regulations.

## How can this product be sold?

- This Product is suitable to be sold by Brokers (Distributors) face to face, telephone, email or postal application channels.
- 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 & conditions, exclusions and excesses that may impact the outcomes that customers may reasonably expect

### Customers must:

- Distributor must always consider whether they have the correct Product to meet the Customer's needs.
- RSA will overlay eligibility and risk acceptance criteria that will restrict access to certain trade sectors and risks that the Product may be suitable for however are outside of our current strategy and risk appetite.
- Policies for this Product are individually underwritten so indemnity limits and excesses that will apply will depend upon the risk insured and be stated in the Policy Quote and the Schedule

# Construction & Engineering

## What is this product?

- This is a Commercial Lines General Insurance product suitable for business customers

## What customer need is met by the product?

### Contract works

- Cover on an all risks basis which provides protection for the works, materials and plant (including hired in plant) for which the business is responsible, but excluding damage from a number of events such as wear and tear, gradual deterioration, and faulty or defective design materials or workmanship

### Engineering

- Financial protection for the business' assets (including machinery, plant, computer and electronic equipment) should they be damaged or destroyed by events such as fire or breakdown.
- Additionally, cover can be extended for loss of business income following insured damage to property.

## Who is the product designed for?

- This product is designed for customers who run a business in connection with the Construction industry from a commercial premises in the United Kingdom

## Who is this product not designed to support, or are there any features that you should be aware of when offering this product to your customers?

### This product is not suitable for:

- Customers who are not involved in running a construction industry business.
- Customers whose business does not own or use machinery, plant, computer and electronic equipment and who do not require statutory inspections of their equipment to meet legal obligations.
- This product is also not suitable for consumers as defined by the FCA. A consumer is classed as any person who is acting for purposes which are outside their trade or profession.

## Can this product be sold with or without advice?

- This Product can be sold with or without advice depending on the distributor preference and in accordance with FCA regulations.

## How can this product be sold?

- This Product is suitable to be sold by Brokers (Distributors) face to face, telephone, email or postal application channels.
- 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 & conditions, exclusions and excesses that may impact the outcomes that customers may reasonably expect

### Customers must:

- Distributor must always consider whether they have the correct Product to meet the Customer's needs.
- RSA will overlay eligibility and risk acceptance criteria that will restrict access to certain trade sectors and risks that the Product may be suitable for however are outside of our current strategy and risk appetite.
- Policies for this Product are individually underwritten so indemnity limits and excesses that will apply will depend upon the risk insured and be stated in the Policy Quote and the Schedule

# Motor Fleet

## What is this product?

- This is a Commercial Lines General Insurance product suitable for business customers

## What customer need is met by the product?

- This product is designed for customers who own or lease vehicles and need cover for third party liability as required by the Road Traffic Act, and who wish to protect their vehicles from accidental damage, fire and theft.

## Who is the product designed for?

- This product is designed for customers who own or lease motor vehicles in connection with their business
- Cover can be arranged for goods carrying vehicles (Own Goods & Haulage), business cars, agricultural vehicles, special type vehicles and trailers.

## Who is this product not designed to support, or are there any features that you should be aware of when offering this product to your customers?

### This product is not suitable for:

- Businesses that do not own or lease vehicles for business purposes or that do not meet the vehicle criteria above
- This product is also not suitable for consumers as defined by the FCA. A consumer is classed as any person who is acting for purposes which are outside their trade or profession.

## Can this product be sold with or without advice?

- This Product can be sold with or without advice depending on the distributor preference and in accordance with FCA regulations.

## How can this product be sold?

- This Product is suitable to be sold by Brokers (Distributors) face to face, telephone, email or postal application channels.
- 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 & conditions, exclusions and excesses that may impact the outcomes that customers may reasonably expect

### Customers must:

- Distributor must always consider whether they have the correct Product to meet the Customer's needs.
- RSA will overlay eligibility and risk acceptance criteria that will restrict access to certain trade sectors and risks that the Product may be suitable for however are outside of our current strategy and risk appetite.
- Policies for this Product are individually underwritten so indemnity limits and excesses that will apply will depend upon the risk insured and be stated in the Policy Quote and the Schedule

# Property Owners

## What is this product?

- This is a Commercial Lines General Insurance product suitable for business customers

## What customer need is met by the product?

- This is a packaged product designed for property owners who let properties and who are seeking insurance protection
- Customers who run a business renting/leasing commercial and residential property to tenants.

The following covers are available:

### Property

- Financial protection for the business' assets (including buildings and communal contents) following damage through events such as fire, theft (including that by their own employees), flood, escape of water, subsidence and terrorism.

### Business Interruption

- Cover for loss of business income following insured damage to property.

### Liabilities

- Cover for the business' legal liability to third parties for property damage or personal injury, and for its legal liability to its employees for bodily injury.

### Terrorism

- Pool Re terrorism cover is available for risk locations based in Great Britain and the Channel Islands

## Who is the product designed for?

- Property owners who let properties and who are seeking insurance protection, Customers who run a business renting/leasing commercial and residential property to tenants

## Who is this product not designed to support, or are there any features that you should be aware of when offering this product to your customers?

This product is not suitable for:

- Customers who are not involved in renting or leasing commercial and residential properties
- Those operating their business outside the UK
- This product is also not suitable for consumers as defined by the FCA. A consumer is classed as any person who is acting for purposes which are outside their trade or profession.

## Can this product be sold with or without advice?

- This Product can be sold with or without advice depending on the distributor preference and in accordance with FCA regulations.

## How can this product be sold?

- This Product is suitable to be sold by Brokers (Distributors) face to face, telephone, email or postal application channels.
- 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 & conditions, exclusions and excesses that may impact the outcomes that customers may reasonably expect

Customers must:

- Distributor must always consider whether they have the correct Product to meet the Customer's needs.
- RSA will overlay eligibility and risk acceptance criteria that will restrict access to certain trade sectors and risks that the Product may be suitable for however are outside of our current strategy and risk appetite.
- Policies for this Product are individually underwritten so indemnity limits and excesses that will apply will depend upon the risk insured and be stated in the Policy Quote and the Schedule

# Property Damage

## What is this product?

- This is a Commercial Lines General Insurance product suitable for business customers

## What customer need is met by the product?

- Consists mainly of stand-alone Commercial Property risks for manufacturing, local authorities and retail/wholesale as well as the Property aspect of packaged (Mono Multi) policies

## The following covers are available:

### Property

- Financial protection for the business' assets (including buildings and communal contents) following damage through events such as fire, theft (including that by their own employees), flood, escape of water, subsidence and terrorism.

### Business Interruption

- Cover for loss of business income following insured damage to property.

## Optional Cover

### Terrorism

- Pool Re terrorism cover is available for risk locations based in Great Britain and the Channel Islands

## Who is the product designed for?

- Commercial customers who operate their business in the United Kingdom of Great Britain and Northern Ireland

## Who is this product not designed to support, or are there any features that you should be aware of when offering this product to your customers?

### This product is not suitable for:

- Not suitable for consumers as designed to cover business activities.
- Not suitable for Customers that do not require Property Damage cover.

- Not suitable for Customers with a Property exposure outside of the United Kingdom of Great Britain and Northern Ireland only.
- This product is also not suitable for consumers as defined by the FCA. A consumer is classed as any person who is acting for purposes which are outside their trade or profession.

## Can this product be sold with or without advice?

- This Product can be sold with or without advice depending on the distributor preference and in accordance with FCA regulations.

## How can this product be sold?

- This Product is suitable to be sold by Brokers (Distributors) face to face, telephone, email or postal application channels.
- 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 & conditions, exclusions and excesses that may impact the outcomes that customers may reasonably expect

### Customers must:

- Distributor must always consider whether they have the correct Product to meet the Customer's needs.
- RSA will overlay eligibility and risk acceptance criteria that will restrict access to certain trade sectors and risks that the Product may be suitable for however are outside of our current strategy and risk appetite.
- Policies for this Product are individually underwritten so indemnity limits and excesses that will apply will depend upon the risk insured and be stated in the Policy Quote and the Schedule

# Liability

## What is this product?

- This is a Commercial Lines General Insurance product suitable for business customers

## What customer need is met by the product?

- The need to protect their business against unforeseen legal liabilities.
- The Following covers are available:
- Employers' liability cover - providing an indemnity against legal liability for damages in respect of Injury of any Person Employed during the Period of Insurance and arising out of and in the course of employment by the Policyholder in the Business.
- Public liability cover - providing an indemnity for legal liability for damages to third parties for accidental injury or accidental loss of or damage to Property in connection with the Business and during the Period of Insurance
- Products liability cover - providing an indemnity for legal liability to pay damage to third parties for injury or damage to property cause by goods

## Who is the product designed for?

- Commercial business customers operating from within United Kingdom of Great Britain and Northern Ireland who are seeking commercial liability insurance for their businesses
- Established businesses with a proven 3-5 year claims experience
- Businesses with strong risk management cultures
- Smaller business right through to larger businesses with more complex requirements
- A broad range of trades including construction, transport, manufacturing, food processing, local authority, retail, wholesale

## Who is this product not designed to support, or are there any features that you should be aware of when offering this product to your customers?

### This product is not suitable for:

- Customers that do not run a commercial business or are seeking to protect their personal liability outside their business
- This product is also not suitable for consumers as defined by the FCA. A consumer is classed as any person who is acting for purposes which are outside their trade or profession.

## Can this product be sold with or without advice?

- This Product can be sold with or without advice depending on the distributor preference and in accordance with FCA regulations.

## How can this product be sold?

- This Product is suitable to be sold by Brokers (Distributors) face to face, telephone, email or postal application channels.
- 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 & conditions, exclusions and excesses that may impact the outcomes that customers may reasonably expect

### Customers must:

- Distributor must always consider whether they have the correct Product to meet the Customer's needs.
- RSA will overlay eligibility and risk acceptance criteria that will restrict access to certain trade sectors and risks that the Product may be suitable for however are outside of our current strategy and risk appetite.
- Policies for this Product are individually underwritten so indemnity limits and excesses that will apply will depend upon the risk insured and be stated in the Policy Quote and the Schedule



# Combined and Packages (Shop/Office)

## What is this product?

- This is a Commercial Lines General Insurance product suitable for business customers

## What customer need is met by the product?

- Combined - Aimed at non-complex small-medium sized businesses with a turnover less than £30m.
- Shop - Single rated package policy aimed at small-medium sized retailers.
- Office - Single rated package policy aimed at professionals whose revenue is derived from non-manual activities only.

## The following covers are available:

### Property

- Financial protection for the business' assets (including buildings and communal contents) following damage through events such as fire, theft (including that by their own employees), flood, escape of water, subsidence and terrorism.

### Business Interruption

- Cover for loss of business income following insured damage to property.

### Money

- Cover for money, both on the insured premises and whilst in transit

### All Risks – Unspecified

- Unspecified cover for portable equipment whilst away from the insured premises

### Liabilities

- Cover for financial losses arising from a liability for property damage or personal injury to third parties and for legal liability to employees for bodily injury

### Transit

- Cover for customer's stock whilst in transit

### Optional Cover

#### Terrorism

- Pool Re terrorism cover is available for risk locations based in Great Britain and the Channel Islands

## Who is the product designed for?

- Commercial customers who operate their business in the United Kingdom of Great Britain and Northern Ireland

## Who is this product not designed to support, or are there any features that you should be aware of when offering this product to your customers?

### This product is not suitable for:

- This product is also not suitable for consumers as defined by the FCA. A consumer is classed as any person who is acting for purposes which are outside their trade or profession.

## Can this product be sold with or without advice?

- This Product can be sold with or without advice depending on the distributor preference and in accordance with FCA regulations.

## How can this product be sold?

- This Product is suitable to be sold by Brokers (Distributors) face to face, telephone, email or postal application channels.
- 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 & conditions, exclusions and excesses that may impact the outcomes that customers may reasonably expect

### Customers must:

- Distributor must always consider whether they have the correct Product to meet the Customer's needs.
- RSA will overlay eligibility and risk acceptance criteria that will restrict access to certain trade sectors and risks that the Product may be suitable for however are outside of our current strategy and risk appetite.
- Policies for this Product are individually underwritten so indemnity limits and excesses that will apply will depend upon the risk insured and be stated in the Policy Quote and the Schedule



## How is the value of our products assessed?

We assess the value of our products using quantitative (e.g., metrics) and qualitative information (e.g., processes and controls), including data from our distributors relating to service and remuneration, as appropriate.

This product is in scope for RSA's product governance processes, which includes consideration of:

- Value of RSA product: This includes: (i) Cover – whether the level of benefits and relevant exclusions offers value to customers, (ii) Utility – whether the product is being used by the customers of the intended target market, and (iii) RSA service – whether the type and quality of services being provided is reasonable for customers.
- Impact of distribution on value: This includes whether distributor remuneration is appropriate and bears a reasonable relationship to the services provided to our customers. If there are concerns, RSA will follow up with the relevant distributors to agree remedial action.

## 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 product. Distributors must notify the sole/ lead co-manufacturer ASAP if there any value concerns for which remedial action is required.

**Remuneration** – Distributors must ensure that any remuneration received for an insurance product would not result in the product ceasing to provide fair value to the customer. Remuneration includes commissions, fees, charges, payments and other economic or non-economic benefits.

**Provision of information** – Distributors must provide a product manufacturer (if requested) with: (i) information on the distributors remuneration in connection with distribution of the insurance product; (ii) information on ancillary product or service that may impact the manufacturers intended value of the primary insurance product; and (iii) confirmation that the distribution arrangements are consistent with the obligations of the firm under 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 Equalities Act 2010; and (iii) where customers purchase the policy using retail premium.