



Target Market and Fair Value Assessment Product Information

(this information is for intermediaries only and is not intended for customer use)

Cedar Underwriting is committed to conducting our business in a fair, honest and open manner. We have in place a Product Oversight and Assessment Policy and Procedure to ensure that our products are fit for purpose and offer fair value. This policy assists us in the design of new products and in the monitoring and change of our existing products to ensure that they continue to meet the needs of our target market and provide value for our customers.

Date of Assessment:	Dec 2023
Overview:	
Cedar Underwriting Role:	Co-Manufacturer
Product:	Residential Property Owners
Product Live from:	14/07/2022
Policy Wording Version:	v1a WEF 25/07/2022 v2 WEF 01/01/2024
Policy Wording effective:	See above
Insurer:	HCC International Insurance Company plc trading as Tokio Marine
Class of Business:	Property/Liability
Target Customer Type:	Individual: Individual buying for non-commercial
Summary of Insurance:	This insurance provides material damage cover for buildings, rental income up to 20% of the building sum insured (or the sum insured stated in the schedule and property owners' liability covers.
Target Market	
The target market?	The target market is owners of residential properties (such as houses, bungalows, flats etc.) in England, Scotland and Wales that are rented out to tenants (asylum Seekers/DSS Non-Referrals/DSS referrals/Professional/Students). The product will cater for unoccupied properties that are unoccupied shorter term to save the client having to change the type of policy bought for periods when the premises is in between tenants.
Outside of Target Market?	<ul style="list-style-type: none"> Insured's domiciled (unless agreed by us) or properties located outside Great Britain, Northern Ireland, the Channel Islands and the Isle of Man and those not within the target market description. Properties that are owner occupied (unless part of a block of flats) Properties located in Northern Ireland are out of scope for the scheme.
Product Features	
Summary of the key coverage of the policy:	<p>The policy provides buildings insurance for perils such as fire, lightning, earthquake, storm, flood, weight of snow, escape of water etc and includes the following extensions under the buildings section:</p> <ul style="list-style-type: none"> Eviction of squatters Glass breakage Illegal cultivation of drugs Loss of keys Malicious damage and theft by Tenant Removal of nests Tree felling or lopping Dumping and fly tipping <p>Some extensions are subject to inner limitations such as monetary limits and tenancy types (for full details please refer to the policy wording).</p> <p>Buildings, Loss of Rent and Property Owners are compulsory covers, and the client has the option to include the following:</p> <ul style="list-style-type: none"> Accidental damage to buildings



	<ul style="list-style-type: none"> • Landlords contents (& accidental damage to landlord Contents) • Accidents to domestic Staff.
<p>Summary of the key exclusions of the policy:</p>	<ul style="list-style-type: none"> • Damage caused by the use of portable heating. • Damage caused by cooking in rooms (does not apply to rooms that are fitted and designed as kitchens or in the case of bedsits that are specifically designed as a cooking area). • Theft or attempted theft of landlord's contents from any garden, yard or open space. • Theft or attempted theft unless involving forcible or violent entry into or exit from the property (does not apply to the Malicious Damage and Theft by tenants' extension). • Wear and tear, wet or dry rot, shrinkage, scratching. • Wind, rain, hail, sleet, snow, dust or theft to boundary walls, gates, fences or moveable property in the open. • Damage caused by Japanese knotweed. • Accidental damage (where cover has been selected) on landlord's contents made from precious metal, jewellery, fur, telescopes, pictures, works of art, curios, antiques, sculptures, rare books, or computer equipment. • Communicable disease • Consequential loss (applicable to buildings and landlords' contents sections) • Cyber • Fraud and dishonesty • Illegal activities (other than the cover given by the illegal cultivation of drugs extension). • Pollution and contamination unless caused by a sudden, accidental, unintended and unexpected incident. • Fines, penalties, liquidated damages, punitive, aggravated or exemplary damages. • Terrorism • The excess (the amount you have to pay on any claim and is shown in the schedule) • Contents in outbuildings are restricted to £1,000 for theft and attempted theft.
<p>How the Product been designed for customers to access the product and services:</p>	<p>Customers access the product via a brokers or product partner. Brokers can access the product on our website or if we have agreed a relationship with a product partner on their website, or if agreed, by forwarding a presentation to Cedar Underwriting for review.</p> <p>Customers can access claims by contacting the claims department themselves or via the broker. Contact can be made via telephone, email or writing to their office. Full details are provided in the policy wording.</p> <p>Customers can contact the claims department, Cedar Underwriting or Insurers to make complaints either by telephone, email or by writing to the appropriate office. Full details of how complaints can be made is provided in the policy wording].</p>
<p>Details of additional products offered (whether free or not) in addition to the core product:</p>	<p>No additional products offered</p>
<p>Relevant documents available via our website:</p>	<p><u>Policies incepted between 01/07/2022 and 31/12/2023:</u> Cedar RPO (HCC_Asc) PW v1a (July 22) RPO IPID (HCC_Ascot) v1a (July 22)</p> <p><u>Policies incepted on or after 01/01/2024:</u> Cedar RPO (HCC) PW v2 (Jan 24) RPO IPID (HCC) v2 (Jan 24)</p> <p>Please be aware Product Partner arrangements may have a separate policy wording, please discuss with Cedar Underwriting.</p>

Distribution Method



Distribution channels	Cedar direct to the customer facing regulated entity
	Product Partner
	Cedar direct to a regulated wholesaler with only one more regulated entity below them in the chain
Distribution Channel Information	<p>Brokers and product partners must be approved by us and enter into our terms of business agreement (TOBA). When you apply for an agency or to be an approved product partner we will undertake our approval process and where approved we will issue the TOBA for you to sign. The TOBA will confirm if we accept sub-brokered business in our relationship with you.</p> <p>Cedar Underwriting Limited Co-Manufacture products and sell these Products via regulated entities who have the suitable experience in this area of business.</p>
Commission	Cedar Underwriting will agree a commission rate with each broker or product partner, and this will be shown on the terms of business agreement between you and us. All brokers and product partners should be able to demonstrate that commission received bears a reasonable relationship to the actual costs of their contribution/level of involvement or benefit added by them to the distribution arrangement. We may ask you to justify your commission rate.
Other remuneration	<p>Cedar UW Limited may charge an underwriting fee on any new business, renewal or mid-term adjustment. Full details regarding our fees can be found within the quote, new business and mid-terms adjustment schedules.</p> <p>We may ask you provide details of your fees that you earn in connection with the sale of our policy (including information on any sub broker fees where applicable).</p> <p>You must ensure that your arrangements are consistent with FCA rules on conflicts and incentives. You should review all remuneration arrangements at least annually and share the outcome of that review with us on request.</p>
Monitoring and Review	
Details of the review frequency / schedule for this product.	A review of this product will be undertaken at least annually.
Metrics used to monitor the Product.	Cedar Underwriting will monitor conversion rates, renewal retention, cancellation count, NTU count, loss ratio's, claims acceptance rates, average claim payments, claims frequencies, number of claims repudiated and complaints.
Fair Value	
Does the policy provide fair value for a reasonably foreseen period?	<p>Our product governance process requires a full review of all products at least annually to determine if the product offer fair value to the end customer.</p> <p>The product offers covers that are relevant to the customers' needs and the customer is provided with all documentation prior to taking out the policy to be able to make an informed choice (quote documents include a copy of the IPID for the scheme, a statement of fact on which the terms are based as well as a quote schedule clearly showing the premium, IPT and fee charged by Cedar Underwriting. A copy of the policy wording is also provided with the quotation as is the IPID). The product values measures have been reviewed and Complaints/NTU's/Cancellations are all within the targets set.</p> <p>Based on the target value measures we believe that this product is offering fair value to customers.</p>

Feedback

We welcome feedback on the performance of this product. Any feedback will be considered in our next review. If you would like to provide feedback please email our Compliance Administrator at compliance@cedarunderwriting.co.uk