

# Fair Value Assessment Outcome

**PRODUCT** **Clergy Terms of Service Diocesan Legal Protection Insurance**

**DATE OF ASSESSMENT** **June 2025**

**Product Intended Value Statement:** This is a legal expenses product suitable for an Anglican Diocesan Board of Finance providing cover against legal costs and compensation awards where they are acting as respondent under the Ecclesiastical Offices (Terms of Service) Measure 2009.

Our Fair Value Assessment and Product Review process has been designed to ensure that this value statement remains true for the foreseeable period in line with PROD 4 rules.

**Having reviewed all of the below information, we are satisfied that this product provides fair value when sold appropriately to the target market.**

This statement should be read in conjunction with our Target Market Statement which shows the needs, characteristics and objectives of the target market and the benefits the product is intended to provide.

|                                  | Assessment Data/Approach                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Outcome and key actions                                                                                                                                                                  |
|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>PRODUCT METRICS AND COVER</b> | <p>We undertake an in-depth analysis of key data including the following:</p> <ul style="list-style-type: none"><li>▪ Gross written premium and policy count</li><li>▪ New business and retention rates</li><li>▪ Loss ratio and claims frequency</li><li>▪ Complaints data</li><li>▪ Claims repudiations and ex-gratia payments</li><li>▪ Customer tenure</li></ul> <p>We have assessed the product with the target market in mind, including any vulnerability considerations.</p> | <p>Having undertaken a qualitative and quantitative review of the product using all available information, we confirm it provides ongoing fair value for the intended target market.</p> |
| <b>SERVICE</b>                   | <p>We have reviewed the services we provide to customers alongside this product including:</p> <ul style="list-style-type: none"><li>▪ Underwriting and Claims</li><li>▪ Complaints handling</li><li>▪ Third party services and helplines Metrics include (but are not limited to):</li><li>▪ Operational service levels</li><li>▪ Complaints handling times</li><li>▪ Customer satisfaction</li></ul>                                                                               | <p>We have reviewed the quality of services provided to the customer and confirm it does provide ongoing fair value for the intended target market.</p>                                  |

|                                    | Assessment Data/Approach                                                                                                                                     | Outcome and key actions                                                                                              |
|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| <b>PRICING AND PREMIUM FINANCE</b> | We charge a flat rate for each Diocese which includes a small handling fee which contributes to our internal costs. Interest free direct debit is available. | We have reviewed the pricing measures and confirm they do provide ongoing fair value for the intended target market. |
| <b>DISTRIBUTION</b>                | Direct Sales only to Diocesan Board of Finance.<br><br>We review the product sales to ensure that it has been sold to the target market.                     | We are the distributor for this product and there is no other party in the distribution chain.                       |

**The assessment of this product was ratified by our internal sign off process in line with our Product Oversight and Governance policy.**

This information is intended for insurance professionals only and is not intended for distribution to the public.



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