



Product Statement

Fair Value Assessment Outcome & Target Market Information

This document¹ has been produced by Travelers Europe in accordance with our regulatory responsibilities as a Product Manufacturer of UK General Insurance products. It is intended for use by our Distributors and not for customers or operational staff.

For more information, please speak to your usual Travelers representative.

¹ This document is based on the Product Value – Information Exchange Template, version 8 November 2021 (LMA9197), developed by the following trade associations for use by all market participants to meet the requirements of the Financial Conduct Authority's product governance rules relating to information exchange: the British Insurance Brokers' Association (BIBA), the London and International Insurance Brokers' Association (LIIBA), the Lloyd's Market Association (LMA), the International Underwriting Association (IUA), the Managing General Agent's Association (MGAA) and the Association of British Insurers (ABI).

Product Value - Information Exchange Template

Carrier name	Travelers Syndicate Management Limited
Broker name	As stated in TOBA
Product name	Marine Piracy Specialty Risks Insurance
Reference/UMR [Binder]	n/a
Reference [Class of Business]	TRV8
Date	Qtr 3 2023

Manufacturer Information
Product information
<p>The Marine Piracy product offers coverage for piracy and seizure as Insured Events. Additional coverages include loss of hire, and an accidental death and disability benefit.</p> <p>Coverage includes reimbursement of any ransom paid, indemnity in case a ransom payment is lost during delivery, certain additional expenses incurred as a result of the piracy incident and an element of cover for legal liability arising out of the incident.</p> <p>The cover is typically purchased on a per voyage policy and is short of short duration (typically 28 days).</p> <p>The product offers coverage for:</p> <ul style="list-style-type: none"> • Piracy • Seizure <p>The following optional covers are available.</p> <ul style="list-style-type: none"> • Loss of hire • Accidental death and disability benefit <p>In accordance with the FCA PROD4 rules, a product review and fair value assessment has been completed for this product.</p> <p>The product has been subject to Travelers’s full product review process and signed off by our authorised approvers as representing fair value to customers and may continue to be marketed and distributed.</p> <p>This product meets the needs detailed within the Target Market Statement.</p> <p>The product provides fair value to customers and is working as designed. Key metrics on usage and product value are monitored and there are no concerns that the product cannot be used or that there are any barriers to claim.</p> <p>Our assessment of fair value includes review of the following management information (where available – not all data will be available for new products) as well as any other relevant insight:</p> <ul style="list-style-type: none"> • Average Premium • Average Claims Pay-out • Loss Ratio • Policy Cancellations • Claim Declinatures as % of Total Claims • Claims Acceptance Rate • Ex gratia Payments Made • Number of Complaints • Complaints as % of Claims

Target market	
<p>The Marine Piracy product is suitable for a range of clients including:</p> <ul style="list-style-type: none"> • Ship and yacht owners • Ship charterers 	
Types of customer for whom the product would be unsuitable	
<p>The Marine Piracy product is only designed to cover marine voyages, it is not suitable for land-based exposures. For land-based exposures there are more appropriate Insurance solutions.</p> <p>The Marine Piracy product may be purchased by individuals or by companies.</p>	
Any notable exclusions or circumstances where the product will not respond	
<p>Limits purchased vary from USD5m to USD10m, although alternative limit can be offered.</p> <p>As is commonplace for Insurance products for this sector there are a number of general Exclusions including but not limited to:</p> <ul style="list-style-type: none"> • Certain territory exclusions • All legal liability arising from actions of armed guards • All transits going into or out of Iran • Cyber exclusion (LMA5403) • Loss of market share • Fraud/ Dishonest Criminal Acts <p>Other specific exclusions may apply to individual risks and will be noted on the policy schedule.</p> <p>Policy excesses and cover limits are assessed on a risk by risk basis, taking into account market standards, and selected by the customer.</p> <p>Please refer to the policy documentation for full details of cover and exclusions.</p>	
Other information which may be relevant to distributors	
<p>This document is to be read in conjunction with the full policy wording.</p> <p>The distribution strategy is considered appropriate for the target market with customers having the option to purchase these products through a distributor of their choice. This product may be sold by suitably skilled agents/sub-delegates:</p> <ul style="list-style-type: none"> • On an advised basis <p>To ensure the customer receives fair value for this product and that they are able to make an informed choice:</p> <ul style="list-style-type: none"> • The customer's demand and needs must be assessed to ensure the product is appropriate, • significant or unusual exclusions should be highlighted, • care must be taken to ensure no duplicate cover exists or is created by an add-on, • available add-ons and optional extras should be highlighted with the same emphasis as the main sections of cover, • commission, fees or charges passed onto the customer must be proportionate to the service provided. 	
Date Fair Value assessment completed	Quarter 3 2023
Expected date of next assessment	Quarter 3 2024