Property & Casualty Product Grouping Fair Value Assessment

Date of last fair value assessment: August 2026

Expected date of next fair value assessment: within 12 months of the above date

As an FCA-regulated business that underwrites on behalf of Lloyd's and Company Market providers, CFC has a robust Product Governance framework in place, and established processes that formalise the approval of new product developments, oversee changes to existing products, and ensure ongoing monitoring of post-sales performance. In line with FCA Product Governance requirements (PROD 4), we have completed a formal review of this product. This document provides distributors with a summary of the product's Fair Value Assessment.

Manufacturer

This document has been prepared by CFC in line with our regulatory responsibility as a co-product manufacturer. It is intended solely for use by our distributors and must not be provided to customers. CFC acts as a co-manufacturer alongside the insurers who support our products. Under our binding authority agreements, CFC is responsible for completing the Fair Value Assessment on behalf of all co-manufacturers, as listed in the Insurer List issued with every Policy Schedule.

Product information

A Fair Value Assessment was conducted for all products within CFC's Property & Casualty product grouping (comprising products with comparable coverages and target markets) to ensure a consistent and robust evaluation of value across the entire suite. In addition to the group-level assessment, each product within the grouping underwent individual review to verify that its specific performance, target market alignment, and overall fair value remain appropriate. The products included within the Property & Casualty grouping are:

- Property & Casualty
- Online Sellers Liability

These products are designed to meet the insurance needs of companies with exposure to property and casualty, including damage to or loss of property, consequential financial loss as a result of business interruption, Employers Liability in the UK and costs associated with injury or property damage claims made by a third party. Additional information about the product distributed in the UK can be found in the Key Facts document.

The products have been reviewed and approved by members of our Product Governance Forum, confirming that it provides fair value to customers. This is in light of a review of the following MI:

- Policy Coverage and Limitations
- Premium Information
- Renewal Retention Rates
- Claims and Complaints Data
- Vulnerable Customers Data
- Declinature Rates
- Loss Ratios
- Customer Feedback
- Cancellation Data

Target market

These products are suitable for companies with exposure to Property & Casualty. This includes manufacturers (e.g. electrical, fabric & soft furnishing, food & beverage, metal, plastics, wood), online product retailers, wholesale and distribution (including up to 100% exports to the USA), precision engineers, events (conferences, exhibitions, trade shows), and professional and business services (non-manual). We will also consider specialist contractors (electrical, flooring, shop fitters), office and retail premises, property managers (commercial and residential), and property owners (commercial and residential). The target market can include SME's as well as larger companies.

Types of customers for whom the product would be unsuitable

These products are not intended for companies which are outside of our appetite such as amusement arcades, nightclubs, and bars, construction projects, general contractors, tourist attractions, sports, stadia and associations. This also includes unoccupied buildings, offshore activities aviation, pharmaceuticals, fireworks, explosives, medical devices, structural building materials, CAR and hired in plant and contract works covers. This product is not intended for consumer clients, meaning any individual who is acting outside of their trade, business, craft or profession.

Any notable exclusions or circumstances where the product will not respond

Standard market exclusions apply. Notable exclusions are highlighted in the Key Facts document and contained within CFC's Policy wordings. Key exclusions include:

- Asbestos
- Premises left vacant for more than 60 consecutive days
- Breakdown, explosion or collapse of electrical mechanical equipment

Please review the Conditions under the policy document to ensure all obligations under the policy are understood.

Distribution

In line with CFC's distribution strategy, this product is distributed exclusively through authorised intermediaries who have completed CFC's onboarding process. It is not available for direct-to-customer distribution. CFC partners with a carefully selected global network of brokers to ensure our products are distributed appropriately and in compliance with regulatory expectations. As a co-manufacturer, we aim to provide our broker partners with clear product information, guidance, and training so they can accurately represent our products to customers. Additional information to support our broker partners can also be found at CFC's Broker Hub.

Fair Value Review Conclusions

The Fair Value Assessment has found no indicators of customer detriment and confirms that the product remains appropriate, competitively positioned, and supports positive customer outcomes across its lifecycle. It has been determined that:

- The product continues to deliver fair value to customers
- The product continues to meet the needs of its intended target market
- The distribution strategy remains appropriate and effective

In the case where a potential risk to the product value is identified, distributors will be contacted directly.

Other information which may be relevant to distributors

As part of the FCA Fair Value Assessment, CFC may also ask distributors to provide additional product information on the distribution chain, fees, remuneration or services, and any ancillary/add-on products. CFC will request all necessary information from you to enable us to offer this product. If you have any questions, please speak to the relevant CFC underwriter. Information about the notification of claims and circumstances, and the complaints process is included in CFC policy documentation, and on CFC's website.