

## Fair Value Assessment Outcome – Commercial Crime Insurance

This document has been produced by Rising Edge Ltd 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 Owen Dacey [owen.dacey@risingedge.co](mailto:owen.dacey@risingedge.co)



# Commercial Crime Insurance

As the co-manufacturer of this product, Rising Edge Ltd has undertaken a Product Review and Fair Value Assessment in accordance with our obligations as set out by the Financial Conduct Authority under PROD 4.2.

**DATE OF REVIEW: 03 July 2023**

**NEXT SCHEDULED REVIEW DATE: 03 July 2024**

### **Our product review and fair value assessment has determined that:-**

This product is consistent with the needs of the target market.  
This product is consistent with the fair value assessment.  
The distribution strategy for this product is appropriate.

To conduct our Fair Value Assessments, and in order to understand and assess the value of our product to our customers, we have considered the performance of our product in each of the following areas:-

- Product performance
- Pricing and acquisition costs.
- Distribution and customer journey.
- Service.

Assessment area	Indicators	Findings
<b>Product Performance</b>	<ul style="list-style-type: none"> <li>- Requirements of target market.</li> <li>- Key product features.</li> <li>- Key product exclusions.</li> <li>- Claims data (frequency, paid claims and declinatures)</li> </ul>	<p><b>Our assessment of these measures confirmed the ongoing fair value of this product.</b></p> <p>The target market for this product is commercial business customers and the product is designed to provide protection to commercial entities against direct financial losses arising from internal dishonest acts of employees and external frauds committed by external third parties. Based on our assessment of the key product features and exclusions, we consider that this product provides fair value to customers. Our assessment of anticipated claims data/trends did not show anything which might imply impact on product value.</p>
<b>Pricing and Acquisition Costs</b>	<ul style="list-style-type: none"> <li>- Loss ratio</li> <li>- Commissions</li> <li>- Customer retention</li> </ul>	<p><b>Our assessment of these measures confirmed the ongoing fair value of this product.</b></p> <p>Our review of the indicators stated here (based on expected results) relating to this product did not show anything which would impact the ongoing fair value of this product.</p>
<b>Distribution and Customer Journey</b>	<ul style="list-style-type: none"> <li>- Distribution strategy</li> <li>- Customer journey</li> <li>- Cancellation rates</li> </ul>	<p><b>Our assessment of these measures confirmed the ongoing fair value of this product.</b></p> <p>This product is distributed via regulated brokers who we monitor and assess. We do not expect the distribution to adversely affect the product and there is nothing to indicate from cancellation data that customers consider this product does not offer fair value.</p>
<b>Service</b>	<ul style="list-style-type: none"> <li>- Sales service metrics</li> <li>- Claims service metrics</li> <li>- Complaints data</li> <li>- Complaints root cause analysis</li> </ul>	<p><b>Our assessment of these measures confirmed the ongoing fair value of this product.</b></p> <p>As this is a new product for Rising Edge as at the time of this review, these factors will be monitored and reviewed at the next assessment review, during which we will consider whether the data on these factors impact the ongoing fair value of this product.</p>