

## Agriculture

---

### Fair Value Governance

In accordance with the FCA PROD4 rules, First Underwriting Limited (FUL) will complete a full product review and fair value assessment on an annual basis. The review is subject to our Product Oversight Governance (POG) process which includes approval to confirm that the product represents fair value to customers and may continue to be marketed and distributed. If there are any findings from the review that highlights customer detriment, appropriate actions will be taken.

### Value assessment – Performance measures

Incorporating the SUP16.27 General Insurance value measures, FUL conducts a very thorough assessment which includes the following analysis:

- Policy sales, average premium, policies in force and renewal volumes
- Cancellation rates
- Complaints (policy and claims) inc. route cause analysis
- Claims (Registered, frequency, financials, accepted, rejected and walkaways)
- Policy wording review, inc. competitor gap analysis
- Commercial performance
- Target Market
- Distribution arrangements

### Product Information

First Underwriting's Agricultural product provides cover for commercial enterprises at the heart of the agricultural community. The product caters for vehicles run by the proposer including cars, commercial vehicles, and agricultural machinery.

Please refer to our Policy wording document, IPID and Target Market statement to fully understand the quality of the product features and benefits.

### Distributor Remuneration / Fees & Charges

FUL will agree remuneration and review all fees/charges as part of its onboarding arrangements. Commission rates will be monitored on an ongoing basis and administration fees will be sampled on a periodic basis and as part of our Distributor audit process. Where FUL identifies any information that could impact the value of the product this would be raised directly with Distributors. To comply with fair value as a Distributor, it is your responsibility to consider:

- Any additional fees charged to a customer and the effect that may have on the value of the product.
- Any ancillary products sold alongside the product which may affect the products value or duplicate cover already provided with our product.
- Sales to ineligible customers and sales to customers outside of the product target market would lead to poor value for those customers.

### Outcome of the Fair Value Assessment

The outcome of the fair value assessment found that this product offers fair value. The product also remains consistent with the needs of the identified target market and remains appropriate for the intended distribution strategy. This is subject to the distributors applying the fair value considerations above and complying with the fair value regulatory requirements.