

Agriculture

Last Review Date: September 2025.

Review Interval: Every 3 years, or sooner if changes arise.

Product Information & Target Market

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.

The product is designed for:

- Businesses (Livestock & Pastoral Farmers) operating fleets of cars, LCV's, Agricultural Vehicles, Trailers & Special Types, with 3 years or more fleet rated claims experience for business use and carriage of own goods.

The product is NOT designed for:

- Landscapers or Gardeners
- Risks based outside of the UK or with vehicles not registered in the UK
- Risks with no agricultural vehicles
- Businesses operating coaches/buses, minibuses, cherry pickers, cranes or tankers
- New Ventures
- 2 or fewer vehicles

Notable Exclusions

- Carriage of goods / passengers for hire & reward
- Loss as a consequence of war, invasion, act of foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military or usurped power
- Loss arising from earthquake or terrorism
- Loss that is also covered by any other insurance
- Loss caused by a deliberate act or omission to act by anyone covered under this policy

Additional information

The information above is intended to provide an indicative summary of the target market only. Please refer to our Policy wording document, IPID/Key Facts to fully understand the product, including the key features and exclusions.

Product Governance & Fair Value

In accordance with FCA PROD4 rules, First Underwriting Limited (FUL) apply a risk-based approach to determine how frequently fair value assessments are carried out. Each assessment is conducted under our Product Oversight & Governance (POG) framework which includes formal approval to confirm that the product continues to deliver fair value to customers and remains suitable for distribution. Where any findings indicate potential customer detriment, appropriate remedial actions will be implemented. More information on our POG framework and FVA frequency determination is available on our website.

Value assessment – Performance measures

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

- New business and renewal / retention volumes
- Average premium
- Cancellation rates
- Complaints (policy and claims) inc. route cause analysis
- Claim activity (Registered, frequency, severity, accepted and rejected)
- Policy wording / features & limitations review and competitor analysis
- Loss Ratio's
- Target Market
- Distribution arrangements

Distribution Strategy and Remuneration

The distribution strategy must be appropriate for the target market. The Distributor is expected to have considered the customers' needs, objectives, and characteristics to ensure the product meets their requirements.

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. 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.