



Product: Forestry

Manufacturer Information
Product information
<p>Forestry is a product which covers physical damage to standing timber (trees) as a result of named perils for private individuals, micro-enterprises and Small Businesses.</p> <p>Core cover: The product can have a range of coverages which the customer can choose to cover their standing timber requirements which could include the below.</p> <p>Property Damage: Physical damage to property covered by the policy by named perils. Named perils can include;</p> <ul style="list-style-type: none"> • Fire • Explosion • Lightning • Landslip • Malicious Damage • Earthquake • Aircraft Impact • Strike, Riot & Civil Commotion • Volcanic Eruption <p>Optional cover: Customers may consider purchasing additional optional coverages which can include but is not limited to the following;</p> <ul style="list-style-type: none"> • Windstorm • Snow & Ice • Re-establishment costs • Firefighting costs • Debris Removal <p>Optional coverage purchased may be subject to sub-limits which differ from the main cover.</p>
Target market
<p>This product is suitable for any entities in any territory where Lloyd's has a license to write direct standing timber business who wish to cover their standing timber against physical damage caused by the agreed perils in the policy schedule and policy wordings.</p> <p>The target markets includes, but is not limited to:</p> <ul style="list-style-type: none"> • Individual private consumers who own trees, standing timber and/or woodland; • Micro-enterprises, Small Businesses and other larger business who own trees, standing timber and/or woodland; • Businesses who undertake commercial activities relating to lumber, pulp / paper and/or institutions who own trees or woodland for carbon credit purposes. <p>In many cases cover is provided to those who are unable to obtain insurance in standard, local or company markets, for reasons such as exposure to large/catastrophe risks, lack of capacity in local markets and non-standard features of insured properties.</p>
Types of customer for whom the product would be unsuitable
<p>This product is not suitable for customers in the UK and customers who do not own standing timber.</p>

**Any notable exclusions or circumstances where the product will not respond****(i) Exclusions**

Standard exclusions include but are not limited to "as a result of";

- Pest and Disease
 - Drought
 - Stunted growth
 - Crops produced by a tree
 - Subterranean fire or tsunami
 - Nuclear/Biological/Radiation Contamination
 - War - any loss caused by war
 - Infectious diseases
 - Cyber - any physical or non-physical damage loss caused by any cyber-attack whether malicious or not.
 - Terrorism - any physical or non-physical damage or loss caused by acts of terrorism.
- Limitations:
- Policies may be subject to Deductibles or Excesses where Insurers are not liable for the amount of claims up to the deductible or excess values. Claims that are submitted that fall below the deductible or excess value will not be paid.

Depending on the needs of the client, there may be sub-limits within the policy for certain extensions of coverages or perils. Claims made under optional extensions of cover purchased or perils subject to sub-limits which are above those sub-limits will not be paid.

If agreed terms and conditions (including warranties and conditions precedent) that were agreed with the customer when the policy was placed have not been adhered to, it could mean the claim will not be paid. For example, if fire breaks are to be maintained within a forested area and they are not maintained when a loss occurs, then the claim may not be paid.

(ii) Limits of liability:

Limits will be the agreed limits for each section of the policy and can differ for each defined peril and defined coverage item. This will be agreed with the policyholder and be stated in the policy documentation

(iii) Excesses & deductibles

Excesses/deductibles are agreed with the customer and stated clearly in the policy schedule based on their particular needs.

Other information which may be relevant to distributors

This product should be sold in line with FCA regulations and can only be sold by a regulated insurance distributor.

Where Distributor 1 sells this Product via multiple other distributors (via sub-delegation or sub-brokering), it is their responsibility to ensure all distributors have been provided this document, have reviewed it and understand the content. If there is any additional remuneration, including commissions, fees or other 'non-standard' remuneration charged to the customer by other distributors, it is the responsibility of Distributor 1 to inform TMK of these details accurately and in full.

Sales journeys must identify customer eligibility and ensure that key information and choices to be made are presented to customers in a way that supports a customer through the process of understanding core cover and configuring optional elements of insurance to suit their specific demands and needs.

This product can be sold face to face, via telephone, electronic communications or a mix of these methods, as long as customers are provided with sufficient information to make an informed decision regarding the suitability of the product.

This product can be sold with advice in line with FCA regulations or local regulations if the distributor is regulated outside of the UK.

Commission & Fees

If there is a coverholder in the chain, they are expected to ensure that maximum commission rates do not exceed those stipulated within the Binding Authority Agreement.

The coverholder is expected to maintain oversight of all broker commissions (where applicable) and, where there may be a risk to product value, remedial action should be taken immediately including notification to Tokio Marine Kiln.

Brokers are reminded of their own regulatory obligations in relation to remuneration under PROD 4.3.6 as well as the requirements to make all necessary disclosures to the customer.

Where there are any fees charged by any member of the distribution chain these should be:

- commensurate with the service provided by the distribution.
- not have an adverse impact on customer value; and
- distributor should ensure that TMKS is made aware of the fee amount and/ or method of calculation.

How value is assessed

Value is assessed based on a number of metrics, including underwriting, claims and complaints information as well as through broker and coverholder engagement.

Remuneration paid as set out in our agreements with distributors has been considered as part of the value assessment.

If additional add-ons (including premium finance) are sold alongside this product or additional remuneration is charged, this may affect the value for the customer.

Further information on our product approval processes can be obtained on request.

Date Fair Value assessment completed	October 2023
Expected date of next assessment	October 2024