

Product: Homeowners

Manufacturer Information
Product information
<p>This is a product which covers physical damage to various interests for private homeowners, including but not limited to; buildings, contents and other structures. Additional living expenses, removal of debris and reasonable repairs can also be provided as standard core coverages as well as a range of optional additional extras.</p> <p>Core Cover: The product can include a range of coverages which the customer can choose to meet their requirements as a homeowner, which could include:</p> <ul style="list-style-type: none"> • Property Damage: Physical damage to property covered by the policy under various named perils and/or on an All Risks basis (subject to certain conditions and exclusions). Named perils will be agreed when the cover is purchased based on the insured's specific needs. Named perils can include; <ul style="list-style-type: none"> ○ Fire ○ Theft ○ Explosion ○ Flood ○ Windstorm ○ Earthquake • Additional Living Expenses: resulting from property damage caused by an insured peril as above, that results in the insured suffering financial loss, for example, having to pay for alternative accommodation. • Personal Liability: generally included (but can be excluded at the insured's request) to protect homeowners or residential tenants if a suit is brought against them by a third party for damages, or other fees are required to be paid, as a result of property damage or bodily injury.
Target market
<p>This product is suitable for all individual private homeowners seeking cover for their personal property and/or contents, in any territory where Lloyd's has a license to write direct property business. The product is suitable for both standard and high net worth individual/consumer homeowners.</p> <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 underwriting 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:</p> <ul style="list-style-type: none"> • Customers located within the UK, Australia, New Zealand & South Africa; • Commercial customers looking to insure commercial property; • Landlords looking to insure residential property that they do not reside in.
Any notable exclusions or circumstances where the product will not respond
<p>(i) Exclusions 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, this could mean the claim will not be paid. For example, if the customer leaves the property vacant for a length of time that exceeds the limit stated in the policy wording, then a claim that occurs while the property had been left vacant for that period may not be paid.</p> <p>Standard exclusions include "as a result of":</p>



- Nuclear/Biological/Radiation Contamination
- War - any loss caused by war
- Infectious diseases - any non physical damage loss caused by infectious diseases
- Cyber - any physical or non-physical damage loss caused by any cyber attack whether malicious or not. Unless a Commercial Cyber optional coverage is purchased.
- Terrorism - any physical or non-physical damage or loss caused by acts of terrorism. Unless a Terrorism optional coverage is purchased.

(ii) Limits of liability:

Limits are agreed 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

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.

(iii) Excesses & deductibles

This will be agreed with the customer and stated clearly in the policy based on their particular needs.

Other information which may be relevant to distributors

This product should be sold in line with FCA or local 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-broking), 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. Distributors are expected to fully understand the eligibility criteria, covers and exclusions of the product.

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 or without 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	September 2023
Expected date of next assessment	September 2024