Product: Embedded Cyber for Home Insurance

Manufacturer Information

Product information

This Personal Cyber product is designed to be embedded within a broader Homeowners insurance policy, offered by another insurer. It delivers comprehensive cyber protection tailored to the needs of modern households, addressing the growing risks associated with digital life.

Key Benefits and Coverage:

- Wide-ranging protection against cyber threats including identity theft, ransomware, cyber attacks, and cybercrime.
- Incident response support via a dedicated cyber helpline, giving customers immediate access to expert guidance in the event of a cyber incident.
- Risk mitigation and recovery assistance, helping individuals reduce the impact of cyber events and prevent recurrence.

Nature of the Product: This is a value-added, service-oriented insurance product focused on delivering peace of mind and practical support. It complements traditional home insurance by addressing digital vulnerabilities that are increasingly relevant to everyday consumers.

Target Customers: The product is generally sold to homeowners seeking enhanced protection for their digital lives. It appeals particularly to individuals who value proactive support and a high standard of care in the face of cyber threats.

Target market

The product is tailored for individual private homeowners who are increasingly reliant on digital technologies and are seeking comprehensive protection for their online lives. These customers typically:

- Own and reside in their homes (not landlords or commercial property owners).
- Are located in Canada, the USA, or the European Economic Area (EEA).
- Are digitally active, using connected devices, online banking, e-commerce, and social media.
- Value peace of mind, proactive support, and expert guidance in the event of a cyber incident.
- Are looking for holistic protection that complements their traditional home insurance by addressing digital vulnerabilities.
- Do not have a separate stand-alone personal cyber policy as this may result in duplicative cover.

Customer Needs Addressed

The product is designed to support customers who are concerned about:

- Identity theft, ransomware, and cybercrime.
- The financial and emotional impact of cyber incidents.
- The lack of accessible, expert support when digital threats occur.
- The need for preventative tools and recovery assistance to reduce future risk.

Value Proposition

This is a service-oriented, peace-of-mind product that delivers:

- Comprehensive cyber protection tailored to the modern household.
- 24/7 incident response via a dedicated cyber helpline.
- Risk mitigation and recovery services, helping customers bounce back quickly and confidently.

Types of customer for whom the product would be unsuitable

While the Personal Cyber product offers valuable protection for digitally connected homeowners, it is not universally suitable. The product has been carefully designed with specific eligibility criteria and exclusions to ensure it meets the right customer needs.
This product is not appropriate for:

- **Customers located outside of Canada, the USA, and the European Economic Area (EEA).**
  The product is not approved for distribution in the UK, Australia, New Zealand, or South Africa, and is not intended for global distribution beyond the approved regions.
- **Commercial customers seeking cyber insurance for business operations.**
  This includes businesses of any size looking for coverage related to commercial cyber risks, data breaches, or business interruption.
- **Customers seeking a standalone personal cyber policy.**
  This product is designed to be embedded within a broader Homeowners insurance policy and is not available as a separate, individual policy.
- **Landlords or property investors insuring residential properties they do not personally occupy.**
  The product is intended for individuals living in the homes only.
- **Individuals operating a trade, business, or profession from their home.**
  While the product may still offer some value, it may be less suitable for those whose home is used for business purposes. In such cases, a dedicated commercial cyber insurance policy may be more appropriate to cover risks associated with professional or commercial activities.

Any notable exclusions or circumstances where the product will not respond

(i) Exclusions:

- Bodily injury
- Any loss that relates to or is used for the purpose of the insured's trade, business or profession or any other capacity other than the insured's personal capacity.
- Any liability arising from your connected home device
- Ransomware monies surrendered in a face-to-face encounter
- Amounts owed to a third party for damages, fines or penalties.
- Any monies that are reimbursable from the insured's credit card company, bank or other financial institution.
- Costs to defend or institute legal proceedings
- Loss of internet connection.
- Property damage
- Theft of any possessions including when credit cards have been physically stolen.
- Unlicensed use of Data and software
- Misconduct
- Prior knowledge or notification
- Natural perils
- Terrorism
- War

(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, online systems, 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.

Training & Awareness

Distributors are encouraged to ensure that all staff involved in the sale or servicing of this product are appropriately trained and understand the product's features, exclusions, and target market. TMK can provide additional support materials or training upon request.

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	March 2026
Expected date of next assessment	March 2027