

Allianz Insurance plc

Product value assessment

Our September 2022 assessment has concluded that the Motor fleet before the event legal expenses product, including its charging and distribution structure, is compatible with the needs, objectives and characteristics of the target market and provides fair value.

Our product value assessment is based on the premium we charge for the cover and the services we provide. In addition to the identified needs, characteristics (including vulnerabilities) and objectives of the target market we take a wide range of other factors into consideration, such as historical and expected claims frequencies, incurred and projected claims costs, plus scenario analysis along with customer feedback.

We also consider how the intended value of the product may be affected by its distribution with the conclusion of our product value assessment based upon our distribution strategy as set out below and that:

- the level of remuneration or commission is in line with market-proximate remuneration or commission levels
- administration fees or any other additional fees are only levied where the remuneration or commission income is not sufficient to cover any of those respective costs and is commensurate with the activities undertaken
- ancillary products (including premium finance arranged by the distributor) are only being offered where requested by the customer and when appropriate to their demands and needs. The total charge to the customer for any ancillary products, and any directly related remuneration (whether commission or fee) is commensurate with the benefit / services provided and activities undertaken
- no other additional charges or remuneration are being received in connection with the distribution of our product other than referenced above or received from us
- all and any parties in the distribution arrangement are able to confirm that their remuneration is consistent with their regulatory obligations

Distribution strategy

The Motor fleet before the event legal expenses product has been designed for distribution by Geo Agriculture who perform the selling, advising and arranging activities in relation to the policy. Geo Agriculture will continue to maintain an appropriate level of understanding of the risks and exposures faced by their customer in relation to Motor fleet legal expenses risks.

Where we've granted permission for the distribution of our products to involve another, or an additional party in the distribution arrangement, this is restricted to be no more than one level beyond Geo Agriculture and in addition to the product value assessment details outlined above applying that:

- the additional parties being relevant and appropriate in terms of their involvement, knowledge and regulatory status
- any split or sharing of commission and/or the remuneration applicable to each party being proportionate to the activities undertaken by each party
- administration fees not being applied by more than one party in the distribution chain.

Product value feedback

If you have any concerns about an Allianz legal expenses product not delivering its intended value, including in relation to potential adverse customer or product value impacts from the distribution arrangement, please notify us of the relevant details by sending an email to regulatory.standards@allianz.co.uk