

# Target Market Statement & Fair Value Assessment Outcome

Nexus Underwriting Limited has undertaken a Fair Value Assessment in accordance with our product governance obligations. This document is intended to provide a summary of the target market & fair value assessment only, please refer to the policy documentation for full details of the coverage provided by the product.

For use by distributors, not intended to be circulated to customers.

<b>Product name</b>	Professional Indemnity
<b>Manufacturer</b>	Nexus Underwriting Limited acting on behalf of certain underwriters, details of which will be provided at the time of quotation.

<b>What is this product</b>
A commercial insurance product suitable for professional firms requiring professional indemnity insurance.
<b>What customer need is met by this product?</b>
This product provides cover against professional negligence, acts, errors and omissions for a wide range of professional firms, including defence costs and expenses incurred in defending a claim.  Products are often bespoke due to the requirements of the client. Policy terms and conditions are negotiated with the broker to ensure fair value to the client and product efficacy.
<b>Who is this product designed for?</b>
This product is a commercial product suitable for professional firms based in the United Kingdom or Europe.
<b>Who is this product not designed to support, or are there any features that you should be aware of when offering this product to your customers?</b>
This product is not suitable for: <ul style="list-style-type: none"> <li>• Policyholders acting outside of the trade or profession as declared to and agreed with us.</li> <li>• Consumers (as defined by the FCA).</li> <li>• Firms domiciled outside of the United Kingdom or Europe.</li> </ul> <p>The product will not respond to claim circumstances where there is:</p> <ul style="list-style-type: none"> <li>• Prior knowledge of a claim,</li> <li>• non-payment of premium,</li> <li>• breaches of certain terms and conditions.</li> </ul> <p>Terms and conditions are agreed with any one client on a case-by-case basis and there may be instances where the policy may not cover any claim arising out of (for example); money laundering, pollution, professional services, bodily injury / property damage and intellectual property rights infringement.</p>

Please refer to the policy documentation for full details of the insurance cover as well for details of any limitations and/or exclusions.

### How is this product sold?

This product should be distributed by FCA regulated brokers on an advised basis by face to face or electronic communication methods.

The product runs for a duration of 12 months and it can be provided on a primary, excess of loss, coinsurance or 100% basis.

### Fair Value Review

This product has been subject to our product review process and signed off as representing fair value to customers.

- When carrying out our review we have assessed at a minimum;
- That the insurance product remains consistent with the needs of the identified target market;
- That the intended distribution strategy remains appropriate;
- That the remuneration does not have a negative impact on the value of the product.

When assessing value, we have considered appropriate available information including data in respect of; claims and product performance, complaints, remuneration, service levels and the outputs of monitoring checks.

Our product governance and oversight arrangements require all insurance products that we manufacture to be reviewed at least every 12 months and more frequently where the potential risk associated with the product makes it appropriate to do so. The risk rating will determine the product approval and review procedure that is followed, as well as the minimum management information collected to ensure appropriate oversight of how the product is performing.

### Other information which may be relevant to distributors

We require distributors to provide additional information on remuneration or services on an annual basis. You should consider the impact of any additional remuneration and services on the value of the product, including:

- Any additional fees that you charge a customer;
- Any ancillary products sold alongside the product which may affect the product's value; or
- Any duplicate cover.

Following the UK's departure from the EU, European risks are handled by our underwriters on a secondment agreement with the UK branch of our French entity Nexus Europe Sarl.

Claims may be handled by a third-party administrator on behalf of the insurer.

### Additional Policy Documentation

This document is to be read in conjunction with the following product documentation:

- Policy Wording
- Policy Summary

### Fair Value Assessment Outcome

Following our product value assessment, we consider that this product remains suitable for the target market and provides fair value.

Where individual distribution arrangements have been identified that could mean customers are at a greater risk of not receiving fair value from the insurance product, distributors have been contacted directly.

**Date Fair Value assessment completed**

September 2022

**Expected date of next assessment**

Within 12 months of this assessment