

Providing fair value



SCOPE

Data and information classification:	PUBLIC
	The information contained in this document is intended for use by our insurer and aggregator distribution partners and not for customers or operational staff.
Ardonagh division:	Atlanta
Brand(s):	Paymentshield
Product(s):	Premium Finance (Charge for Credit)
Associated add-ons:	N/A
Key regulatory responsibility:	Co-manufacturer



SUMMARY OUTCOME

We believe Premium Finance (CFC) continues to provide fair value to customers. Any actions that have been identified as part of this review are documented on the following page(s).

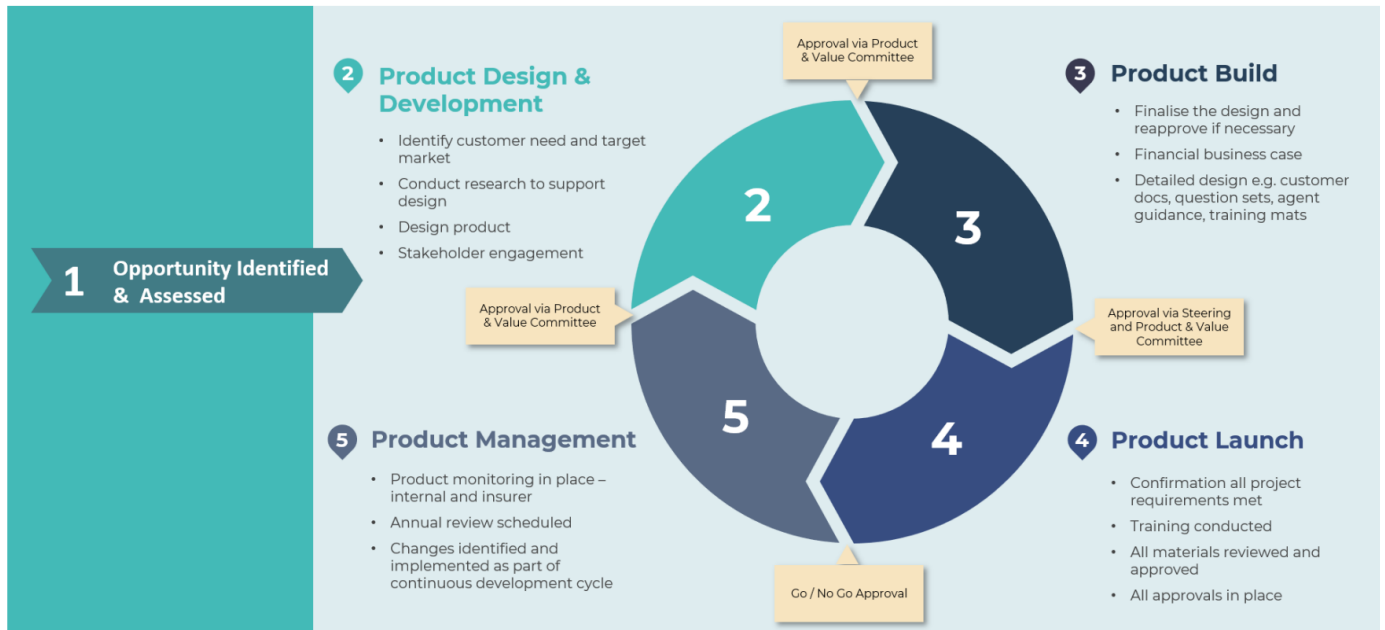
TARGET MARKET	DISTRIBUTION	FAIR VALUE ASSESSMENT
The product remains consistent with the needs of the identified target markets provided by the manufacturer/co-manufacturer.	The intended distribution strategy remains appropriate.	It is considered that the product package is providing overall fair value to customers.

PREMIUM FINANCE (CFC)

We are comfortable that this product is providing fair value to customers.

Next review due:
31/01/2025

ATLANTA PRODUCT APPROVAL PROCESS



TARGET MARKET

Premium finance (CFC)

PSL manufactures a Premium Finance product which is referred to as the 'Charge for Credit' (CFC). The Charge for Credit provides a convenient and affordable way to pay for insurance by spreading the cost. Rather than having to find a large sum up front to cover the premium customers can spread the cost by paying in smaller instalments. There is no deposit, both renewal and new customers make 12 monthly payments. The cost for this is a flat percentage of the premium equating to 23.7% APR.



DISTRIBUTION

Premium finance (CFC)

Charge for Credit is available when taking out one of our insurance products. It is charged separately to the core cover and associated add ons of a policy. Our policies are designed to be sold through partners who engage with homeowners, landlords and tenants. These are typically partners that interact with customers during a property related transaction such as a house purchase, remortgage or tenant referencing. Companies who offer our product as part of a wider review of a customer's financial products. This includes mortgage brokers, financial advisors, volume telephony call centres and concierge style businesses.



FAIR VALUE ASSESSMENT

Purpose of the review

The purpose of this review is to provide assurance that the products and the way they are distributed are delivering fair value to the identified target market. Where deficiencies are identified, actions must be documented to remedy them and tracked through to completion. Consideration must be given to retrospective remedial action where customer detriment is identified, the need to communicate product review outcomes, issues or revised material to any manufacturers, co-manufacturers and distributors in the chain, amendments required to product approval processes or if there is any material impact to strategy.

How Atlanta assess each product

Atlanta Group product reviews cover a range of areas and key metrics covering pricing, product, service, distribution chain which all contribute to delivering overall fair value for customers. Each section is rated against a number of internal tolerance thresholds/SLAs, which are reviewed on an annual basis and approved by Atlanta Executive Committee.

How Atlanta address concerns

Where concerns have been identified actions with owners have been put in place including an accountable Executive Committee owner. Actions are to be completed within 3-6 months with their impact on the metrics monitored. Where an area of concern requires action / input from an insurer partner the specific action will be raised directly by your Atlanta account contact and tracked to closure. If a product is offering little utility to a customer i.e. seemingly not meeting a need as the claims frequency and insurer loss ratios are consistently below acceptable levels, it would be considered the product or a panel provider is not providing fair value which would require either significant product redesign or possible withdrawal.

Overall outcome

It is considered that the product package is providing overall fair value to customers. Some actions have been identified to further improve value to customers.

Next review

See Summary Outcome above.



FAIR VALUE ASSESSMENT - ACTIONS

DETAIL	ACTION	DUE DATE
Whilst all necessary data was available at the time of this review, some of the metrics being measured were not needed to complete our review of CFC.	Restructure some of the data being used specifically for CFC to present an even clearer picture of the value being offered to customers.	30/09/2024
Our Weighted Average Cost of Capital value is calculated and used in the review to help establish fair value for CFC. This should be monitored more regularly if we continue to include the metric in future reviews.	Establish a new process for monitoring WACC value throughout the year.	30/09/2024