

eTrade Property Owners

Review Type:	New Product Approval
Product Launch:	Q4 2024
Review Period:	2025
Next Review:	Q4 2026

Product Target Market Statement (1/3)

eTrade Property Owners

What is this Product?

- eTrade Property Owners is a Commercial Lines Product suitable for Customers who require insurance for their property portfolio for Buildings, Contents, Loss of Rent, Terrorism, Property Owners' Liability, Employers' Liability and Legal Expenses can also be offered.

What Customer need is met by the Product?

- This Product provides the Customer, and any policy stakeholders, with protection against financial losses arising from specific insured events relating to damage to Property. For example, Fire, Theft and Accidental Damage if insured.

Who is this Product designed for?

- Customers/business who require protection offered by the mandatory Covers as a minimum.
- Customers wanting to insure their property in connection with their business, trade, or profession as a Landlord/Property Owner.
- Customers who own/manage or are responsible for insuring one, or more properties, to a maximum of 25, including where there may be policy stakeholders.
- Customers where a property is owned under a Freehold, Leasehold or Flying Freehold arrangement.
- The Product is only available to Customers looking to insure residential premises where the Tenancy Agreement is direct between the Tenant and the Customer.
- Customers conducting business solely from premises, and residing in, Great Britain, Northern Ireland, the Channel Islands, or the Isle of Man.

- Properties with a Buildings Declared Value typically not exceeding the below, however, higher limits may be considered upon referral:
 - £1,500,000 for Residential Properties.
 - £5,000,000 for Mixed Tenure.
 - £10,000,000 for Blocks of Flats
 - £10,000,000 for Commercial Properties.

Who is this Product not designed to support, or are there any features that you should be aware of when offering this Product to Customers?

- Not suitable for private individuals or consumers wanting to insure their home, or Commercial Customers that do not require the mandatory Covers detailed as a minimum.
- Customers subject to any Economic Financial or Trade sanctions imposed by the European Union, the United Kingdom, the United Nations, the United States of America or any other prohibition or restriction imposed by law or regulation of the country of which the Policy is issued or would otherwise provide cover.
- Customers residing, or businesses located outside of Great Britain, looking to insure one or more properties located in Great Britain, Northern Ireland, the Channel Islands, or the Isle of Man.
- Landlords where the Tenancy Agreement is not direct between the Tenant and the Policyholder.

Product Target Market Statement (2/3)

eTrade Property Owners

Vulnerable Customers

- This Product has not been designed to target Customer groups with a higher likelihood of vulnerability. However, we recognise that any Customer may experience vulnerability at any time due to personal circumstances.
- We design all products with this in mind and aim to avoid features that could lead to poor outcomes for Customers with characteristics of vulnerability.
- Our colleagues and distributors are expected to be able to recognise when a Customer may be in vulnerable circumstances and to respond with empathy and flexibility. This includes taking appropriate steps to understand the Customer's needs and provide support that enables informed decision-making.

Can this Product be sold with or without advice?

- This Product can be sold with or without advice depending on Distributor's preference and in accordance with FCA regulations.
- This Product is supported by a Policy Summary.

How can this Product be sold?

- This Product can only be sold via a Broker, or Intermediary.
- This Product is only sold online.
- The sales journey must identify Customer eligibility and that this Product, and any optional elements, are consistent with the Customer's demands and needs. The sales journey must also ensure that key details are presented to the Customer in a timely manner that allows informed decisions to be made.

Eligibility and conditions, exclusions and excesses that may impact the outcomes that Customers may reasonably expect:

- The Distributor must always consider whether they have the correct product to meet the Customer's needs (including policy stakeholders).
- Eligibility and risk acceptance criteria will restrict access for certain risks which are outside of Intact's current strategy and risk appetite.
- This Product is only available to Policyholders where the Tenancy Agreement is direct between the Tenant and the Policyholder.
- This Product is not suitable for Customers with more than 25 properties in their portfolio.
- Policies for this Product are individually underwritten and individual indemnity limits, exclusions, and excesses that apply will depend upon the risk insured and will be stated in the Policy Quote, the Policy Schedule, and Statement of Fact.

Product Target Market Statement (3/3)

eTrade Property Owners

How is the value of this Product assessed?

- We assess Product Value using quantitative (i.e. metrics) and qualitative information (e.g. processes and controls), including data from our Distributors relating to service and remuneration¹, as appropriate.
- This Product has been approved in line with Intact's Product Governance processes, including consideration of:
 - the value of the Intact Product: this includes: (i) Cover – whether the level of benefits and relevant exclusions offers value to the Customer (including policy stakeholders), (ii) Utility – whether the Product is being used by the Customers of the intended target market (including policy stakeholders), and (iii) Intact Service – whether the type and quality of services being provided is reasonable for the Customer (including policy stakeholders),
 - the impact of distribution on the value: this includes whether Distributor remuneration is appropriate and bears a reasonable relationship to the services provided to the Customer (including policy stakeholders), by the Distributor. If there are concerns, Intact will follow up with the relevant Distributors to agree remedial action.

What are the obligations of our Distributors?

- Manufacturer notification – all intermediaries must review their product distribution arrangements at least every 12 months and consider the impact of remuneration against the intended value of their products. Distributors must notify the Manufacturer as soon as practically possible if there are any value concerns for which remedial action is required.
- Remuneration – Distributors must ensure that any remuneration received, including any commission paid away to other parties in the distribution chain, for an insurance product does not result in the product ceasing to provide fair value to the Customer (including policy stakeholders).
- Provision of information – if so requested, Distributors must provide the Manufacturer with: (i) information on the Distributor's remuneration in connection with distribution of the insurance product; (ii) information on ancillary products or services that may impact the intended value of the Manufacturer's primary insurance product; and (iii) confirmation that the distribution arrangements are consistent with the obligations of the firm under the FCA Handbook including SYSC 10 (Conflicts of Interest) and SYSC 19F.2 (IDD Remuneration).
- Price optimisation – if the Distributor is a price-setting intermediary, unless there is a reasonable basis, firms should not increase the price of the insurance product based on: (i) policies being subject to auto renewal compared to policies that are not subject to auto renewal; (ii) the Customer's vulnerability or any protected characteristics (unless the firm can rely on them under the Equality Act 2010); and (iii) where Customers purchase the policy using Retail Premium Finance.