



# Product Governance Review

Fair Value Assessment – Specialty – Security Risks (Non-Marine)

# Specialty - Security Risks ( Non-Marine)

## Fair Value Assessment – Product Overview

### Product Overview

This annual review product covers the following four products:

- Crisis Prevention and Response
- Workplace Violence and Stalking Threat
- Emergency Security and Disaster Evacuation
- Comprehensive Kidnap and Ransom

The products provide insurance for Crisis Events such as Kidnap, Ransom and Extortion. Cover is provided for private individuals as well as small commercial entities. In addition to this, Crisis Prevention and Response and Emergency Security and Disaster Evacuation provide Crisis Management Consultants that assist policyholders to effectively manage and mitigate risks.

See detailed Target Market Statement for detail on the range of customers the product is designed for as well as the groups of customers for whom the product is not appropriate and will not provide the intended value.

# Fair Value Assessment Outcome: Specialty - Security Risks ( Non-Marine)

## Key findings

Year Fair Value Assessment Completed	2024
<p><b>Fair Value Assessment Outcome</b></p> <p>AXA XL has conducted a comprehensive review of this product against the specified metrics, considering whether the insurance product remains consistent with the needs of the identified target market and whether the intended distribution strategy remains appropriate. The review has determined that this product continues to provide fair value in compliance with the FCA’s Product Intervention and Product Governance Sourcebook (PROD). This product will therefore be monitored as per BAU and reviewed again in 12 months as per PROD 4.2.34 requirement to undertake regular product reviews.</p> <ul style="list-style-type: none"><li>• <b>Claims Repudiation Rate</b></li><li>• <b>Claims Complaints as a % of Total Claims</b></li><li>• <b>Policy Cancellation Frequency</b></li><li>• <b>Gross Loss Ratio</b></li><li>• <b>Total Acquisition Ratio</b></li></ul> <p>Our approach to this product review has utilised data and MI readily available to AXA XL to conduct a quantitative analysis. Additionally, we have also performed a qualitative review. As a distributor, you may wish to consider metrics you hold in conjunction with this assessment.</p> <p>On conducting your own review, where issues are identified that are not identified within this review, please notify us so we can consider the impact on the product in our capacity as carrier.</p>	
<b>Other factors which may be relevant to distributors</b>	
n/a	

