

**Product Information Exchange Pack**  
Munich Re Syndicate Limited

**Product Name:** Mercia Property Owners and Mercia Commercial Combined  
**Carrier name:** MRSL 457  
**Class of business:** Commercial Property  
**Date:** September 2022  
**Latest version of approved wording:** 2022

## 1 Manufacturer Information

Munich Re Syndicate Limited and Mercia are the joint manufacturers for this product as set out in our binding authority agreement and the manufacturer activities are allocated as follows:

<b>Activity</b>	<b>Party Responsible</b>
Product Approval Process	Coverholder and the Underwriter
Target Market	Coverholder
Product Testing	Coverholder and the Underwriter
Product Monitoring & Review	Coverholder and the Underwriter
Distribution Channels	Coverholder
IPID Development	Not applicable

This document is intended to provide a summary of the product, product approval process, intended target market and the product distribution strategy. This document is intended to be used by distributors and not provided to the end customer.

### 1.1 Product description

- **Mercia Property owners** is designed to give cover to commercial property owners, covering buildings, contents, loss of rent and POL.
- **Mercia commercial combined** is designed to give cover of buildings, deterioration of stock, loss of licence, goods in transit, contents, stock business interruption, specified all risks and loss of money.

### 1.2 Target Market and identified demand for this product

- **Target Market:** Mercia Standard Property owners is designed for owners of multi-occupancy residential properties or commercial property . Mercia standard commercial combined is designed for business owners looking to insure the premises and trading business. Typically SME with some non-standard features.
- **Not intended for:** Customers outside the specified UK territories, consumers looking to insure buy-to-let properties, high hazard trades. Also not suitable for customers wanting Employers liability or Public Liability cover too. These covers are available with Mercia but MRSL are not the insurer for these covers.
- **Demands & needs:** Mercia products are intended to provide UK commercial customers with:
  - Material damage, business interruption, goods in transit, loss of licence, deterioration of stock, loss of money, specified all risks.
- **Customer Eligibility:**
  - Customers must be acting in a commercial capacity.

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- Must have never had insurance refused, cancelled or offered with terms imposed.
- Must have no unspent convictions or any pending prosecutions.
- Must be aged 16 and over.

### 1.3 Distribution strategy for this product

- **Sales method:** The approved distribution strategy for this product is through a BAA with the coverholder. The coverholder is authorised to distribute and bind policies in line with the their delegated authority. These products are arranged by brokers who advise the policyholders of the appropriate policies. All policies are sold via a third party broker, dealing with clients by phone/in person/email – not via online system. The coverholder does not deal directly with policyholders. All business is wholesale.
- **Advised or non-advised sales:** Policies must be sold on an advised basis.
- **Assessment of customer demand and needs:** We expect distributors to have effective assessment processes in place for establishing the customer's eligibility and demands and needs, and offering this product only where it is appropriate for the customer's stated demands and needs. These are standard market products that have been tried, tested and developed over many years. They are not complicated products.
- **Territorial reach:** Coverage is for properties located in the United Kingdom.

### 1.4 Manufacturer product reviews

Date Fair Value assessment completed	August 2022
Expected date of next assessment	August 2023

MRSL has established Product Approval and Product Oversight and Governance (POG) processes. In accordance with the FCA PROD Product Intervention and Product Governance Sourcebook PROD 4 Product governance rules, a product review and fair value assessment has been completed for this product. The product has been found as representing fair value to customers and may continue to be marketed and distributed. We will undertake ongoing product reviews on a yearly basis and any significant or material changes to this product will go through the product approval process again.

The assessment of fair value included review of the following management information as well as other insights:

- Benchmarking pricing in line with market
- Internal loss ratios
- Premium adequacy
- Lloyd's loss ratio
- Commission ranges

The following is excluded from the review and as a distributor you must consider:

- any additional fees that you charge a customer / client and the effect on the value of the product.
- any ancillary products sold alongside the product which may affect the product's value or duplicate cover provided with our product.