

## Europa Underwriting Limited (EUL) Fair Value Document (FVD)

Applicable to all products.

### Purpose

This document aims assess Fair Value customer impacts and any proposed changes that are required.

<b>Products</b>	Bike
<b>Brand</b>	Ridersure
<b>Insurers</b>	All
<b>Date of Completion</b>	26 <sup>th</sup> January 2024

Fair Value Assessment Questions	Principle	Findings
<p>Is the price presented to the customer commensurate with the product and service we provide?</p> <p>Reporting metrics for new business &amp; renewal commission/fees.</p>	<b>Price</b>	<p>Yes, we provide the best price available from our panel whilst also providing the customer with the necessary information to take into consideration the Excess, Endorsements, and Ancillary Products to ensure the product meets the customers' demands and needs.</p> <p>Commission and fees are analysed through SQL within the MI transactional database. These charges remain consistent across all transaction types.</p>
<p>Add on packages and standalone add ons. Can we evidence Fair Value comparisons?</p>	<b>Price</b>	<p>Yes, we offer six standalone ancillary products and two discounted optional packaged ancillary Products. Claim performance is monitored frequently to ensure they provide fair value. We continually benchmark our product offerings in-terms of cover and price against our competitors.</p>
<p>Can we evidence a financial review of the insurer/supplier (new or existing) through publicly available information?</p> <p>Existing insurers/suppliers will be monitored every 2yrs or sooner if there is available information that requires us to complete this action.</p>	<b>Product</b>	<p>Yes, when adding new insurers/suppliers we complete a credit and background check which then needs sign off from senior stakeholders before we agree to deploy the insurer/supplier.</p> <p>Annually we complete a check of all insurers where we can obtain their financial strength via Moodys, Fitch, AM Best, Standard &amp; Poor.</p> <p>Every two years we ask all insurers/suppliers to complete due diligence to check financial strength.</p>

<p>Does the frequency/loss ratio of the product give the customer Fair Value? Is there a trend for repudiated claims and are there any proposed changes?</p>	<p><b>Product</b></p>	<p>Yes, we believe that the frequency / loss ratios of the products offer the customer fair value. We receive this information monthly, so the data is continually evolving, and we are unable to tell the true trend until we are at least six months into the life of the policies.</p> <p>FNOL frequencies are aligned to expectations for 2023 (&lt; 3%) with claim volumes being:</p> <ul style="list-style-type: none"> <li>• 20.54% Fault</li> <li>• 32.95% Non-Fault</li> <li>• 46.51% Theft</li> </ul> <p>Ancillary Product (2023, 1,525 Sales)</p> <ul style="list-style-type: none"> <li>• Personal Accident 1.81% Loss Ratio and 1.35% Frequency</li> <li>• Helmet &amp; Leathers 22.92% Loss Ratio and 0.72% Frequency</li> <li>• Excess Protect 0.00% Loss Ratio and 0.00% Frequency</li> <li>• Breakdown 17.80% Loss Ratio and 5.58% Frequency</li> <li>• Ridersure Plus 0.00% Loss Ratio and 0.00% Frequency</li> <li>• Ridersure Ultimate 0.00% Loss Ratio and 0.00% Frequency</li> </ul> <p>In relation to repudiated claims, we review the circumstances to see if there are any corresponding trends. If any are identified, we may need to suggest a process change either to the product (including product wording/endorsements) or the customer journey.</p> <p>Repudiated claims are handled by the insurers, and where trends exist, we will deal with accordingly.</p>
<p>Is the documentation clear and comprehensible including for those customers who are vulnerable?</p>	<p><b>Product</b></p>	<p>Yes, our sales documentation is clear and comprehensible to all customers. We review our documentation annually in conjunction with our Complaints and Compliance teams, using root cause analysis to see if there are any complaints relating to misunderstanding and clarity of the documentation. Our common policy wording is due for a full review next year, although no concerns have been raised.</p>

<p>What are the main customer complaint trends in relation to claims experience and are there any proposed changes?</p>	<p><b>Product</b></p>	<p>The main root cause analysis with any significant volume is related to repair timescale. 4<sup>th</sup> Dimension are doing everything they can to keep customers up to date (they call all repair customers weekly with an update), but they have no influence over part availability particularly at this time where supply chains are strained.</p>																												
<p>Following a review of our customer journey including dropout rates, are there any observations or suggested changes?</p>	<p><b>Service Broker</b></p>	<p>We have reviewed both our online and offline journeys and there are no proposed changes.</p>																												
<p>Quality assurance call checks, are the scores in line with our own internal SLA's?</p>	<p><b>Service Broker</b></p>	<p>Quality assurance checks are carried out every month and results published.</p> <p>Results for 2023:</p> <table border="1" data-bbox="805 909 1142 1480"> <thead> <tr> <th>Month</th> <th>Pass Rate</th> </tr> </thead> <tbody> <tr> <td>January</td> <td>87%</td> </tr> <tr> <td>February</td> <td>86%</td> </tr> <tr> <td>March</td> <td>86%</td> </tr> <tr> <td>April</td> <td>82%</td> </tr> <tr> <td>May</td> <td>94%</td> </tr> <tr> <td>June</td> <td>88%</td> </tr> <tr> <td>July</td> <td>91%</td> </tr> <tr> <td>August</td> <td>89%</td> </tr> <tr> <td>September</td> <td>87%</td> </tr> <tr> <td>October</td> <td>89%</td> </tr> <tr> <td>November</td> <td>57%</td> </tr> <tr> <td>December</td> <td>100%</td> </tr> <tr> <td>Total</td> <td>88%</td> </tr> </tbody> </table> <p>The above percentage is of calls where the standard was met. The target pass rate is 85% and if this is not achieved, feedback and additional coaching is provided.</p>	Month	Pass Rate	January	87%	February	86%	March	86%	April	82%	May	94%	June	88%	July	91%	August	89%	September	87%	October	89%	November	57%	December	100%	Total	88%
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<p>Are customer telephone call handling metrics in line with our internal SLA's?</p>	<p><b>Service Broker</b></p>	<p>Our internal measure/tolerance is between 5% - 15% abandonment score. These tolerance levels are different to what will be in the branded contracts.</p> <p>2023 results: Ridersure Abandonment Score = 8.41%</p>																												

<p>Can we evidence that our new and existing SME's through induction and ongoing coaching provide Fair Value outcomes to our customers?</p>	<p><b>Service Broker</b></p>	<p>Yes, existing staff who are SMEs are utilised to ensure new inductees have the correct training and skill set to service our brokers. Additionally, all employees must complete their annual CPD hours through DEV Zone (<a href="https://mydevelopment.zone/">https://mydevelopment.zone/</a>), this includes TCF and Customer's Needs.</p> <p>Also, regular department discussions and 1-2-1 meetings are held.</p>
<p>Are there any changes required to our induction/coaching sessions specifically relating to Fair Value?</p>	<p><b>Service Broker</b></p>	<p>As part of the Fair Value requirements, Training and Development has provided sessions to all the staff. If there are additional Fair Value changes then full communication to staff will be made.</p>
<p>Do the current Premium Finance APR rates offer Fair Value?</p>	<p><b>Service Broker</b></p>	<p>The brokers complete their own financial arrangements with customers. Ridersure does not provide a Premium Finance solution.</p>
<p>Are there any insurer changes discussed that may impact Fair Value? If there are, what are these and how will these changes impact our customers?</p>	<p><b>Service Broker</b></p>	<p>In 2022 we saw new regulations introduced relating to General Insurance Pricing Practices (GIPP). These have been introduced and designed to bring more transparency to customers and ensure that we, and insurers, deliver long-term fair value to customers.</p>
<p>Can we evidence that our FNOL provider is delivering agreed SLA's? If not, what is/are the proposed remedial actions to offer Fair Value to our customers?</p>	<p><b>Service FNOL</b></p>	<p>Yes, SLAs are adhered to (i.e., at or above SLA) and are continually monitored with our FNOL provider monthly.</p> <p>Abandoned incoming call rate (relating to the Services) must be less than or equal to 5% (December 2023 at 3%).</p> <p>Incoming calls answered within 30 seconds (relating to the Services) must be greater than or equal to 80% (December 2023 at 91%).</p>
<p>Are FNOL customer satisfaction surveys in line with expectations? Detail the main customer negative responses to the service and how proposed changes will be made.</p>	<p><b>Service FNOL</b></p>	<p>Yes, 4<sup>th</sup> Dimension send out a customer survey on completion of a repair claim.</p> <p>Based on a RAG scorecard, SLA were at or above agreed levels within the latest report, however, the main historical negative customer responses previously relate to:</p> <ul style="list-style-type: none"> <li>• How would you rate the time taken to repair your motorcycle? How would you rate the responsiveness of 4th Dimension in dealing with your claim in general?</li> </ul>

<p>Annual review of the customer claims journey. Are there any suggested changes?</p> <p>Are there any customer complaint trends, and if so, are there any changes being proposed to the customer journey/experience?</p>	<p><b>Service Claims</b></p>	<p>The journey is reviewed with our FNOL provider and subsequently, both parties have not raised that any changes need to be made to the process.</p>
<p>What are the main customer complaint trends regarding our retail service?</p> <p>Are there any proposed changes to the customer journey/experience?</p>	<p><b>Complaints</b></p>	<p>On occasions we are aware of cases where an operator or broker may have input incorrect spellings. We have a complaints portal where all complaints activity is logged. There are no current complaint trends for Ridersure.</p>

**Action from Findings**

This will include any changes to customer impacts following a FVA review

<b>Principle</b>	<b>Impact to Customers</b>	<b>Assessment/Change Required</b>	<b>Date Implemented</b>
Broker Fraud Measures	Combatting fraud is paramount to the health of the business, the product and to our customer base.	To work with our insurers and our retail services to obtain the cause of any fraudulent activity and how this can be reduced and review trends and patterns to protect our customer base.	Ongoing

Sign Off Process			
Department	Yes	No	Date Signed Off
Executive Board	Y		08/04/2024