

Fair Value Assessment Outcome

This document has been produced by Aviva Insurance Limited in accordance with our regulatory responsibilities as a Product Manufacturer of UK General Insurance products. It is intended for use by our Distributors and not for customers or operational staff.

For more information please speak to your usual Aviva representative.

Product Value - Information Exchange Template¹

Carrier name	Aviva Insurance Limited
Broker name	As set out in the TOBA with Aviva Insurance Limited
Product name	Commercial Motor <ul style="list-style-type: none"> • Minifleet • Fleet • Corporate Motor
Reference/UMR [Binder]	N/A
Reference [Class of Business]	Commercial Motor (Motor)
Date	29/08/2023

Carrier Information
<p><i>The fields below should be completed by the carrier. The information provided should be sufficient for distributors in the chain to understand the value of the product, the intended target market and those to whom the product should not be marketed. Other information should be included (if relevant) to advise distributors of how their known or expected actions might affect the value of the product.</i></p>
<p>Product information</p> <p>Aviva's Product Approval Process can be found here. Further information for our distributors about Aviva's Product Oversight and Governance (POG) arrangements can be found here.</p> <p>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 the Commercial Motor product.</p> <p>The product has been subject to Aviva's full product review process and signed off by our authorised approvers as representing fair value to customers and may continue to be marketed and distributed. The pricing structure for our Commercial Motor products is fair and justified. We use the expected claims cost as the main contributing factor towards the calculation for the technical premium. The remaining loading factors are also deemed to be reasonable as they contribute towards the overall value the customer receives from the product. The Motor Legal and Breakdown add-ons which are sold in conjunction with the Commercial Motor products have also been subject to internal review. This review evidenced that the add-ons were providing fair value and usability to customers.</p> <p>The assessment of fair value included review of the following management information as well as other insight:</p> <ul style="list-style-type: none"> - Average Claims Pay-out - Average Premium - Claims Ratio - Expenses Ratio - Commission Ratio - COR (Combined Operating Ratio) - Claims Acceptance Rate - Average Customer Settlement Lifecycle

¹ This document is based on the Product Value – Information Exchange Template, version 8 November 2021 (LMA9197), developed by the following trade associations for use by all market participants to meet the requirements of the Financial Conduct Authority's product governance rules relating to information exchange: the British Insurance Brokers' Association (BIBA), the London and International Insurance Brokers' Association (LIIBA), the Lloyd's Market Association (LMA), the International Underwriting Association (IUA), the Managing General Agent's Association (MGAA) and the Association of British Insurers (ABI).

- Average Overall Claims Lifecycle
- Total Sales & Service Complaints per 1000 PIF
- Total claims dissatisfaction as a % of claims made
- Regulated claims complaints as a % of claims made
- Financial Ombudsman Service (FOS) Complaints Upheld Rate
- Claims Frequency by Peril
- Total Claims Cost
- Average Regulated Complaints Lifecycle
- Regulated Complaints by Outcome

Following the review, we have concluded that the performance of the management information is within agreed tolerance levels. Additionally, no material actions have been raised through the review process.

Target market

Aviva have developed 'Target Market Statements' to provide you with information about the intended target market, who our products are designed for, who they are not intended to support and how we expect the product can be offered to customers.

You can find our Target Market Statements on our Aviva Broker site. They are held here for your reference, kept up to date when the product is changed and reviewed on an annual basis. For commercial lines they can be found [here](#), for personal lines they can be found [here](#).

Please inform us where you identify you have consistently distributed our product to customers outside of the intended target market.

Types of customer for whom the product would be unsuitable

As above, this information is provided in Aviva's separate Target Market Statement information.

Any notable exclusions or circumstances where the product will not respond

As above, this information is provided in Aviva's separate Target Market Statement information and supporting policy summaries. However, we would highlight the following exceptions.

Exceptions to Damage and Liabilities to Third Parties Cover:

- Loss, damage, injury, or death caused or arising from any Cyber act except where such liability is required to be covered by the Road Traffic Acts
- Loss, damage, injury, or death where your vehicle is being used autonomously where at the time of the accident it was not appropriate to do so &/or Safety Critical Software has not been installed &/or unauthorised Software has been installed into the vehicle, except where such liability is required to be covered by the Road Traffic Acts

Other information which may be relevant to distributors

Please note we do not require Distributors to provide additional information on remuneration or services provided. Aviva will contact brokers separately if data is required that we do not hold.

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.

Please contact your usual Aviva representative if you have any queries or concerns about the Aviva underwritten product.

Date Fair Value assessment completed	08/09/2023
Expected date of next assessment	08/09/2024