



# Product Governance Review

## Fair Value Assessment – London Wholesale Casualty General Liability

# Fair Value Assessment Outcome: London Wholesale Casualty General Liability

## Key findings

### Product Overview

The product provides insurance protection for unforeseen legal liabilities to pay damages to third parties for injury or damage in the conduct of their business or in connection with any product supplied by them. Key coverages include:

- Public Liability - it provides an indemnity for legal liability to pay damages for injury to third parties or damage to third party property
- Product Liability - it provides an indemnity for legal liability to pay damages arising out of injury and/or damage in connection with any product supplied by the insured.

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 -Year:

2023

### Fair Value Assessment Outcome:

The outcome of the review shows the product delivers value. 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. There is no action required from distributors at this time.

A summary of why we concluded this product is delivering value is set out below:

- **Low cancellation frequency**
- **Low claims repudiation rate**
- **Low claims complaints as a % of total claims** number of complaints is low and does not indicate any systematic or widespread issues linked to the product value
- **1 year Gross loss ratio (GLR)** is relatively low side but as the product matures value is demonstrated.

Our approach to this product review has utilised data and MI readily available to AXA XL. As a distributor, you may wish to consider metrics you hold in conjunction with this assessment.

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.

### Other factors which may be relevant to distributors

n/a