



Fair Value Assessment – July 2025

MX Underwriting Limited trading as The MPLC - Fair Value Assessment Outcome

This document has been produced by The MPLC in accordance with our regulatory responsibilities as a Co-Product Manufacturer of UK Medical Professional Liability insurance.

It is intended for use by our Distributors and not for customers or operational staff.

For more information please email Steve Ellis, Compliance Officer of The MPLC on steve.ellis@the-mplc.com

Product Value- Information Exchange Template

Carrier name	The MPLC
Broker name	As set out in the TOBA with The MPLC
Product name	Medical Professional Liability (MPL) insurance
Date	16/06/2025

The MPLC Explanations

The fields below are completed by The MPLC. 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.

Product Information

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 Medical Professional Liability (MPL) insurance product.

The product has been subject to The MPLC's product governance process and approved as representing fair value to customers and may therefore continue to be marketed and distributed.

The MPL product is designed for customers who require insurance protection against third party claims arising from the provision of its clinical services. This product is strictly for customers seeking insurance protection for their activities arising from the provision of clinical services, as defined in the insurance policy.

For many insureds, this is a compulsory class of insurance – for example for a UK private medical entity undertaking NHS work or an Allied Health Professional operating under the auspices of the HCPC, MPL cover is mandatory. Some professions will mandate cover and other professions will require the cover to be able to tender for contracts.

Product Review

Within the MPL product line, we tend to see a mixture of higher frequency smaller value claims and lesser frequency higher value claims. Consequently, we are confident based on the management information used, there is evidence that our product is clearly usable by customers.



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The assessment of fair value included review of the following management information:

- Claims Frequency and Claims Severity
- Claims Declinature Rates
- Claim Lifecycles, notification to settlement
- Total Claims Cost
- Customer Complaint Rates
- Policy Cancellations
- Customer Retention Rates
- Policy Premium
- Product Loss Ratios
- Commission Paid Ratios
- Combined Ratios

Following the review, we have concluded that the performance of the product is reasonable and acceptable from the perspective of delivering fair value to clients. No issues or actions have been raised through the review process.

Market Suitability

Through Distributor meetings, The MPLC's brochure and The MPLC's website, The MPLC has communicated to the Distributor information about the suitable market for the MPL product, being independent medical practitioners, allied health professionals and private and public healthcare entities providing clinical services to their patients.

Enquiries received from Distributors for insurance cover outside of product scope are extremely low, confirming there is a good understanding from Distributors of the product and its suitability.

Distribution Strategy

The MPL product is designed for customers who require insurance protection against third party claims arising from the provision of its clinical services. The MPLC will not engage directly with the customer and will not accept instruction for placement of an insurance policy directly from the customer. Instead, The MPLC will only accept a placement instruction from a cohort of fully regulated and licenced insurance broker intermediaries who are acting on behalf of the customer.

Other information which may be relevant to Distributors

Please note we do not require Distributors to provide additional information on remuneration or services provided, although we may call on this on occasion if its is felt to increase understanding or improve the customer outcome.

The MPLC 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 by you alongside the product, for example any ancillary product which may affect our product's value or duplicate cover provided with our product.

Please contact your usual MPLC Underwriter if you have any queries or concerns about The MPLC's underwritten product.

Date Fair Value assessment completed	16/06/2025
Expected date of next assessment	01/07/2026

Product Governance Tool

Fair Value Analysis

	Product question copied from the assessment	Numbers taken from the assessment	Answer	Score
1	Has consideration to vulnerable customers been given?	2.10	Yes	0
2	How does the price of add-on compare to the price of the main product offered? Express in %	3.18	no add ons	0
3	Do you charge an additional fee for the post-service services? If yes - how much?	6.08	£0.00	0
4	What is the cost or Premium Finance in terms of % of premium	6.10	no premium finance	0
5	Taking in account the costs of the Premium Finance, does customer still receive fair value?	6.12	N/A	0
6	Commission level (received from the manufacturer)	7.01	30%	0
7	Fees charged (as % of total premium paid)	7.02	0%	0
8	Total remuneration received on this product, add-ons & post-sale service	7.03	10%	0
9	Based on data available, your marketing exercise and comparisons with similar products on the market, do you feel comfortable that this product, add -ons, fees charged and post-sale services offer fair value to customer?	7.13	Yes	0
TOTAL				0

Fair Value Analysis - Scoring

Low	Medium	High
<= 4	between 5 -9	>= 10
Risk Score		
Result from this assessment = 0		

Risk Scoring Assessment

	Product question copied from the assessment	Numbers taken from the assessment	Answer	Score
1	Fair Value Analysis Scoring			0
2	Who is the target customer market for this product?	2.01	Wholesale	2
3	Is TMS obtained from the manufacturer?	1.09	No	1
4	Does the target market agree with the TMS obtained?	2.05	Not yet received	1
5	Where is the risk located? (UK, EEA, Rest of the World)	2.11	UK & EEA & Rest of the World	2
6	Are <u>adds on</u> offered with this product?	3.07	No	0
7	Is target market of add-on consistent with the target market of the main product?	3.17	no add ons	0
8	Is it sold on an advised or non advised basis ?	4.02	Non-advised	0
9	Are there any circumstances which may cause a conflict of interest to the detriment of your customers?	5.01	No	0
10	Are staff incentivised to sell the product?	5.02	No	0
11	Do we provide any post-sale services with this product?	6.01	Yes	0
TOTAL				6

Risk Scoring Assessment

Low	Medium	High
<= 9	between 10 - 17	>= 18
Risk Score		
Result from this assessment = 6		

Residual Risk Rating

Products rated Medium need to be reviewed and any residual risk scoring must be captured here and updated within the master list of all products

Discussion and review date	Sign off from Compliance and Risk Co-Ordinator obtained	Final Residual Rating
16/06/2025	Yes	Low