

Fair Value Assessment Outcome

This Fair value Assessment relates to	Engineering Machinery Options
Date of latest Assessment	24/07/2025
Date of next Assessment	31/07/2026

Product Name: Engineering Machinery Options

Insurer: Allianz

Product Information

In accordance with the FCA PROD Product Intervention and Products Governance Sourcebook PROD 4 Product governance rules, a product review and fair value assessment has been completed for this product.

The product has been subject to Touchstone Underwriting's review process and signed off by our authorised approvers as representing fair value to customers and may continue to be marketed and distributed.

In conducting our assessment, we have looked at a variety of different factors including:

- The claims acceptance rate
- Claims frequency
- The average premium
- The claims ratio
- The total claims costs
- Complaints – The number of complaints received and how many were upheld
- Any fee's chargeable by us for arranging the policy
- How our documentation is presented to our brokers and if this is clear and understood
- Commissions – are these in fair and consistent
- Service delivery

Whilst conducting our review, we have looked at all available management information available to us. This includes a wide selection of reports including quotes and conversions, renewal retentions, cancellations including cancellation reasons, claims, complaints, insurer audits, our own file audits and our own broker survey results.

After a full assessment of this product, our outcome is that we are satisfied:

1. The product remains consistent with the needs of the identified target market
2. The product remains consistent with the fair value assessment
3. The intended distribution strategy remains appropriate

Review / Assessment Area	Key indicators and Measures	Summary outputs and actions
Product Performance	Quotation and Conversion reports Renewal acceptance rate Cancellation reports Customer Vulnerability considerations Review of claims declinature rates	Our Assessment of these measures confirmed the ongoing fair value of this product.
Price	Quotations and Conversion reports Cancellations reports Review of claims frequency Commission levels	Our Assessment of these measures confirmed the ongoing fair value of this product.
Service Delivery	Complaints reports Broker Survey summaries Feedback from Brokers	Our Assessment of these measures confirmed the ongoing fair value of this product.
Distribution	Broker agency reports Development managers feedback	We work with brokers that have an active Terms of Business agreement in place. Continuous due diligence is conducted on our brokers to ensure our products are suitable for our brokers.
Complaints	Complaints reports	Complaints received for this product are less than 2%
Claims	Claims reports including declined/repudiated claims	Claims made under this scheme represent under 2% of the policy count.

Target Market
<p>Who is this product designed for:</p> <p>The product ranges across a wide range of trades and industries including:</p> <ul style="list-style-type: none"> • All manufacturing industries (excluding chemical/petrochemical works, paper mills, plastics, recycling/waste, refineries and similar). • Retail, wholesale, warehousing/storage and transport • Property owners/financial services and service industries • Public administration, national/local government and public utilities. • Health care and Hospitals. • Leisure/sporting/cultural centres and industries and hotels • Universities/colleges/schools and educational centres <p>This product is not suitable experimental or prototype plant, chimneys in isolation or emission stacks and similar structures, obsolete plant, plant situated underground, power presses, tanks in isolation, wind turbines/wind farms, a person acting for purposes outside their trade, business or profession or non-going concerns or the retired</p>

Date Fair Value Assessment completed:	24/07/2025
Expected date of next assessment:	31/07/2026