

Assurant Intermediary Limited
Fair Value Assessment Statement
Retail Premium Finance

2026



ASSURANT®



Introduction

Assurant Intermediary Limited (AIL) is committed to ensuring that the products it manufactures provide fair value to customers. This Fair Value Assessment summarises our evaluation of the product when offered through our Distributors.

The Retail Premium Finance product is a Consumer Credit agreement that enables customers to spread the cost of an insurance premium, rather than an insurance product itself.

Under applicable FCA product governance requirements and the Consumer Duty, 'value' is the relationship between the overall price paid by the customer and the quality of the product and services received. In this document we provide a product-level summary of our conclusion. Our assessment considers the balance of price and benefits, including service delivery, complaints insights and other outcome measures, alongside the suitability of the product for its target market.

The purpose of this document is to provide our Distributors with clear assurance that we have assessed the product appropriately and that it continues to deliver fair value to its target market.

Product Oversight and Governance

AIL operates a structured Product Oversight and Governance framework to ensure that all products are designed, distributed and monitored in a way that supports good customer outcomes. This includes:

- **Product design and target market definitions**
We define the intended target market and negative target market for each product and ensure the features, benefits and pricing remain appropriate for those customers.
- **Distributor engagement and oversight**
We work with our FCA-regulated distribution partners to ensure the product is offered appropriately, and that eligibility criteria are communicated clearly.
- **Monitoring of customer outcomes**
We conduct regular reviews of complaints, service quality, missed payment frequency and any indicators of financial difficulty. Insights from these reviews inform any improvements to processes, communications or product design.
- **Fair value assessments**
We complete a formal Fair Value Assessment at least annually, or more frequently if required, to confirm the product continues to provide fair value and is expected to do so over the reasonably foreseeable period.
- **Product Review and Approval**
Products are approved and regularly reviewed through formal governance processes to ensure they remain appropriate for the target market and continue to deliver fair value.

This governance framework ensures that the product remains appropriately designed, fairly priced, and capable of delivering value to customers over time.



Product Manufacturer	Assurant Intermediary Ltd (AIL)
Product Name	Retail Premium Finance
Distributor Group	FCA-regulated intermediaries (including insurance brokers) with appropriate Consumer Credit permissions
Period of Review	January 2025 – December 2025
Date of Assessment	May 2026
Revisions to this document	-
Date of Next Review	May 2027

Fair Value Assessment

ALL concludes that the Retail Premium Finance product continues to provide fair value for its target market, now and over the reasonably foreseeable period. This judgement reflects evidence across:

- **Product design & target market:** alignment with customer needs, eligibility and negative target market criteria, and indicators of customer understanding based on communications and customer interactions.
- **Distribution & customer understanding:** clarity of customer journey and sales process via distribution partners and relevant feedback.
- **Cost-benefit balance:** allocation of costs between operations and administration, manufacturer margin, and transparency of the APR within product literature.
- **Customer services:** contact-centre service levels, forbearance outcomes and customer satisfaction levels.
- **Complaints & learning:** complaint volumes and upheld rates, FOS referrals/outcomes, and root-cause themes used to refine processes and communications.
- **Forward-looking sustainability:** expected value over typical product term, and stability of service and forbearance arrangements.

Taken together, these factors support ALL's conclusion that the product provides fair value to its target market.

Value Sustainability (Reasonably Foreseeable Period)

The Retail Premium Finance product is a short-term Consumer Credit agreement, typically lasting up to 12 months. The reasonably foreseeable period is therefore limited to the duration of the finance agreement.

In assessing whether fair value is expected to be sustained over this period, ALL considers:

- the structure and transparency of pricing, including the total cost of credit
- customer repayment behaviour, including indicators of financial difficulty
- the effectiveness of customer support and forbearance arrangements
- the appropriateness of distribution practices

Based on these factors, the product is expected to continue providing fair value over the reasonably foreseeable period, with customer outcomes observable within the life of the agreement.



Target Market

The product is intended for customers who:

- Are purchasing an insurance policy and wish to spread the cost of the premium over monthly instalments
- Require short-term payment flexibility, rather than paying the premium upfront
- Have been assessed as able to afford the repayments over the term of the agreement
- Understand that premium finance is optional, incurs an additional cost, and is a credit agreement.

Customers for whom the product would not be suitable

The product is not suitable for customers who:

- Are unlikely to afford the repayments, or are in circumstances where taking on credit could cause financial difficulty
- Do not require payment flexibility or would gain no benefit from spreading payments
- Are seeking longer-term borrowing solutions, as the product is limited to short-term credit
- Do not understand that premium finance is:
 - a. optional
 - b. subject to additional cost
 - c. a credit agreement rather than part of the insurance policy.

Product Features

The Retail Premium Finance product provides:

- Short-term credit to fund an insurance premium
- A fixed repayment schedule, typically over up to 12 months
- A clearly disclosed total cost of credit, including APR and total amount payable
- The ability to spread the cost of insurance into manageable monthly instalments
- No additional or hidden charges, with all costs disclosed upfront

The product does not:

- Provide insurance cover or risk protection
- Change the terms, cover, or value of the underlying insurance policy
- Offer flexible or revolving credit



Key Limitations of the Product

The product:

- Is only available where eligibility and affordability criteria are met
- Does not remove the obligation to repay the credit in full, including interest
- May result in missed payment processes or arrears management where repayments are not maintained
- Does not represent or offer financial advice, budgeting support, or assessment of the underlying insurance product value.

Customers remain responsible for meeting the terms of the credit agreement throughout its duration.

Distributor Considerations

Distributors play a key role in ensuring the product is offered appropriately. In particular:

- Premium finance should be presented as an optional payment method, not the default
- Customers should be clearly informed of:
 - the cost of credit
 - the total amount repayable
 - the alternative option to pay the premium upfront
- Distributors are responsible for:
 - carrying out appropriate affordability assessments
 - ensuring the product is suitable for the customer's needs and circumstances
- Personnel involved in the distribution and facilitation of the RPF product should be appropriately trained to:
 - explain how the product works
 - support customer understanding
 - identify and respond to vulnerable customers

Method of Distribution

The product is distributed exclusively through FCA-authorized intermediaries with appropriate credit broking permissions.

Distributors are responsible for the customer-facing sales journey, including:

- introducing the premium finance option
- presenting key terms and costs
- assessing affordability
- supporting the customer to make an informed decision

ALL retains oversight of distribution arrangements to ensure the product is distributed in line with its target market and regulatory requirements.



Impact of Distributor Remuneration on Fair Value

AIL is responsible for assessing whether any remuneration – where paid - within the distribution chain could affect the fair value of the product or could influence customer outcomes or product positioning.

Distributors are responsible for ensuring that any remuneration does not create conflicts of interest, encourage inappropriate sales or result in the product being presented as the default option

As the only cost to the end customer is a single disclosed cost of credit and no remuneration is paid to distributors for its implementation, AIL is satisfied that there is no adverse impact on the fair value delivered to customers.

Customer Service and Support

AIL monitors the servicing and administration of the Retail Premium Finance product to ensure customers are supported throughout the life of the agreement.

This includes:

- Payment collection processes to support timely repayment
- Clear communication where payments are missed
- Access to customer support channels where assistance is required
- Forbearance arrangements where customers experience financial difficulty

These arrangements are designed to ensure customers are treated fairly and supported appropriately, particularly where repayment issues arise.

Complaints

AIL monitors complaints relating to the Retail Premium Finance product to identify any themes or indicators of customer detriment.

Where issues arise, complaint insights are used to:

- improve communications and customer understanding
- refine processes and controls
- enhance customer support arrangements

Complaint monitoring forms part of AIL's ongoing assessment of whether the product continues to provide fair value.

Vulnerability and Distributor Responsibilities

Distributors are responsible for identifying and supporting customers with characteristics of vulnerability throughout the sales journey and term of the agreement.

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This includes:

- adapting communications where needed
- ensuring customers understand the product and its costs
- providing appropriate support where financial difficulty arises.

ALL considers the needs of vulnerable customers in product design and ongoing review, including monitoring outcomes to ensure the product continues to deliver fair value for all customers within the target market.

Final Statement

ALL has assessed the Retail Premium Finance product and concludes that it continues to provide fair value to its target market.

This conclusion reflects consideration of:

- product design and pricing transparency
- distribution arrangements and customer understanding
- customer servicing and support
- observed customer outcomes

ALL will continue to monitor the product on an ongoing basis, and will take action where required to ensure that fair value is maintained.