



A China Re Company

FAIR VALUE INFORMATION: CHAUCER FREIGHT LIABILITY INSURANCE

In accordance with FCA requirements, this document is intended to provide our distributors with information on the Freight Liability insurance product manufactured or co-manufactured by Chaucer Syndicates Limited/Lloyd's Syndicate 1084 or Chaucer Insurance Company DAC (together "Chaucer"), our product governance and assessment procedures, and the results of our fair value assessment.

Fair Value Assessment Date	June 2026
Next Fair Value Assessment	June 2027
Product Description	Covers customers' contractual liability for loss or damage to goods entrusted to them by third parties.
Customer Needs Met by the Product	Protects customers from financial loss arising from their contractual liability to the owners of goods, in connection with the transport or storage of those goods as part of their business.
Target Market	<ul style="list-style-type: none">• Freight Forwarders (under British International Freight Association terms, national conditions or own contract).• Non-Vessel Operating Carriers (under Bills of Lading, airwaybills or similar carriage documents).• Hauliers (under Road Haulage Association, CMR, Freight Trade Association, Heavy Transport Association terms, own contractual conditions or other conditions, or for full value where no conditions exist).• Couriers (under contractual conditions or for full value where no conditions exist).• Removers (under British Association of Removers or National Guild of Removers and Storers conditions/own contract).• Self-Storage Operators (under Self-Storage Association conditions/own contract).• Vehicle Transporters moving vehicles for manufacturers, garages, logistic companies, racing teams and individuals.• Warehousekeepers storing goods under UKWA, NAWK, own and third-party contractual conditions or legal liability uplifted to the full value where no contractual conditions exist.

	<ul style="list-style-type: none"> • Excess of Loss for transit/stock risks where limits exceed primary layer.
Customers not in the Target Market	Individual consumers, or customers seeking to protect their own goods against loss or damage.
Distribution	The products are distributed via brokers who provide advice to customers; and via coverholders who have authority to underwrite and bind risks on behalf of Chaucer. All commissions and other charges are in accordance with the Chaucer Intermediary Remuneration Strategy.
Claims and Complaints Handling	Claims and complaints are handled by Chaucer, coverholders, and/or third-party claims administrators. Where claims or complaints are outsourced to third parties, service level agreements are in place and audits are conducted to ensure good customer outcomes.
Any Exclusions or Conditions, or Circumstances where the Product will not respond	Any exclusions, conditions and excesses applicable to risks written under this product will be stated in the quotation, schedule and policy wording (and Insurance Product Information Document where applicable).

Product Governance

Chaucer's Product Oversight and Governance Policy clearly defines the standards it is required to implement to ensure good customer and fair value outcomes.

In accordance with FCA PROD rules, Chaucer has conducted a Product Review and a Fair Value Assessment of this product which are designed to answer the following questions:

- What is the intended market for the product?
- What type of customers is the product not suitable for?
- What customer need is met by the product?
- Is the product likely to meet the needs and reasonable expectations of customers in the target market?
- Is the total price of the product (including all fees and commissions) fair and reasonable?
- Is the distribution method appropriate, and does distribution remuneration have an adverse impact on fair value?
- Are there any conditions or exclusions that mean reasonable customer expectations may not be met?

The Product Oversight Committee reviews the following MI in relation to each product in order to identify any emerging issues with fair value and customer outcomes:

- Complaints volumes.
- Complaints root causes.
- Complaints response times.
- Claim declinature rates.
- Claim declinature root causes.
- Claim response times.
- Loss ratios.
- Acquisition ratios.

<p>Fair Value Assessment</p>	<p>Based on our assessment of both quantitative and qualitative elements carried out on the date shown above, Chaucer considers the product provides fair value to customers and is working as designed.</p> <p>Key metrics on usage and product value are being monitored (such as claims frequency and declinatures, complaints rates and total remuneration) and there are no concerns that the product cannot be used or that there are any barriers to claim.</p> <p>We closely monitor vulnerable customer outcomes to ensure our products and services continue to meet their needs and deliver good outcomes.</p>
<p>Product Status</p>	<p>This product is open to new and renewal business.</p>
<p>Conflicts of Interest</p>	<p>There are no circumstances we are aware of that will cause a conflict of interest.</p>
<p>Other Information for Distributors</p>	<p>Chaucer expects its distributors also to promote customer value by:</p> <ul style="list-style-type: none"> • Ensuring that the total remuneration that they receive (including commissions, fees and other charges) does not have a detrimental impact on the fair value of a product to the customer, • Regularly reviewing their product distribution arrangements and their effect on product value, and notifying us if they identify any concerns, • If requested, providing us with remuneration information in connection with the distribution of a product, • Ensuring that no duplicate cover exists or is caused by an add-on where that cover is already provided by the policy, and • Ensuring that their distribution arrangements are in accordance with all applicable regulatory requirements.

This document is intended to provide a Fair Value Assessment to the distributors of our insurance products in accordance with FCA regulatory requirements and should not be used for any other purpose. Customers should check their policy terms and conditions for details of their cover.