

Target Market Statement and Fair Value Assessment

Brit Syndicates Limited has undertaken a product review in accordance with the FCA Product Governance (PROD 4) and our product governance obligations. This document is intended to provide a summary of the Target Market Statement and outcome of the Fair Value Assessment only.

This information is for use by distributors only and not for customer use.

Product Name	Brit Cyber Privacy Risk (CPR)
Manufacturer	Brit Syndicates Limited is the core product manufacturer. Ancillary products including Premium Finance are offered by third parties and are separate from Brit's offering.

Product Information

The Brit Cyber Privacy Risk (CPR) product has been subject to periodic controls and our POG process. The product has been reviewed and signed off by our POG panel as representing fair value to customers. This is in light of a review of the following:

- Acquisition Costs and Fees
- Policy Coverage and Limitations
- Premium Information
- Cancellation Data
- Claims and Complaints Data
- Declinature rates
- Loss ratios
- Ex gratia payments
- Root cause analysis
- Renewal retention rates
- Customer Feedback
- Oversight and Monitoring
- Conduct and Technical Wordings review
- Product Benchmarking
- Breaches of Lloyd's/FCA benchmarks and tolerances

All management information is reviewed on a periodic basis to complete root cause analysis and understand whether there are any systemic issues that require a review of the product design outside of the annual review cycle.

The product provides cover for first party costs and third party liability arising out of cyber incidents. This includes business income loss resulting directly from a covered cause of loss and/or loss as a result of cyber incident.

There are 3 stages to our Cyber Protection: Ready, Set, Recover.

'Ready' equips the insured with the tools to face cyber risks.

- The DataSafe portal has the latest information on evolving cyber risks.
- Our Knowledge Centre has 500 compliance and risk management resources.
- A Cyber Fitness Check to assess the insured's organisation's cyber posture.

'Set' provides support to the insured's Chief Information Security Officer or IT team. It also uses staff training and data security experts to manage vulnerabilities and mitigate risks.

- Access Incident Response Planning resources to prepare for a cyber event.
- Train employees on key privacy and data security issues with online training courses.
- Keep awareness high with ongoing bulletins, posters and webinars.

'Recover' is about getting back on track if the worst happens. Our objective is to help the insured recover ASAP.

- 24/7 breach reporting hotline with experts on hand as well as help to manage the potential consequences of a cyber threat.
- An app to report a breach quickly and keep updated.

The product has three individual limits: Incident Response, Notification and Insurance Protection with the ability to re-deploy the insurance protection limit if required. Coverage provided for Incident Response Services are subject to their own limit and do not reduce the limits offered elsewhere in the CPR policy.

Pricing is set by Brit which is applied consistently to both new customers and renewals.

All claims and complaints are handled in house by Brit. Quarterly Technical File reviews are undertaken to ensure that all claims and complaints are handled appropriately against our internal metrics which centre around ensuring good customer outcomes.

What customer need is met by this product?

The Product is designed to provide the insured with financial protection, first party costs and third party liability arising out of cyber incidents. In addition, the policy provides Risk Management Services both pre and post incident.

Target Market

Our CPR service is suitable for start-ups and small and medium sized businesses across a number of industries including Retail/Hospitality, Healthcare, Financial Services, Professional Services, Legal Services, Manufacturing, Construction and Motor Trade. This product has been designed specifically for businesses that collect or process high volumes of personal data with a reliance on IT systems to conduct their ordinary business.

Types of customer for whom the product would be unsuitable

This product would not be suitable for individuals or companies whose revenue exceeds GBP/USD/CAD 1 billion or with more than 1 million employees.

Any notable exclusions or circumstances where the product will not respond

Key exclusions include:

- Bodily Injury or Property Damage arising from a breach
- External infrastructure failure

- Any alleged or actual defects in any goods, services, or products sold, supplied, repaired, altered, manufactured, installed or maintained by the insured
- Any criminal, dishonest or intentional violation of the law
- Natural Perils including fire, smoke, flood, explosion etc
- Any presence of pollutants
- Any act of Terrorism or War

How is this product sold?

The product is distributed directly to brokers who purchase the product on behalf of their clients. Brokers can receive a quote and bind in minutes via our online portal. The product is available to insureds domiciled in the UK, Channel Islands, US and Canada.

Fair Value Review

The fair value assessment indicates that the Brit Cyber Privacy Risk (CPR) product provides value to the end customer and remains suitable for the target market. Where a potential risk to the product value has been identified, the distributors will be contacted directly.

Other information which may be relevant to distributors

As part of the FCA Fair Value Assessment we require distributors to provide additional product information on the distribution chain, fees, remuneration or services, ancillary/add-on products on an annual basis. Taking into consideration the potential impact it would have on the customer and the product value.

If you have any questions regarding the product approvals and Fair Value Assessments, please refer any communications to your Brit representative.

Date of Fair Value Assessment Completed	2024
Expected Date of Next Assessment	2025