



☞ A China Re Company

#### FAIR VALUE INFORMATION: CHAUCER TRANSACTIONAL LIABILITY INSURANCE

In accordance with FCA requirements, this document is intended to provide our distributors with information on the Transactional Liability Insurance products 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.

|                                           |                                                                                                                                                                                                                                                                               |
|-------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Fair Value Assessment Date</b>         | August 2025                                                                                                                                                                                                                                                                   |
| <b>Next Fair Value Assessment</b>         | August 2026                                                                                                                                                                                                                                                                   |
| <b>Product Description</b>                | Provides cover three main covers: Warranty and Indemnity, Tax Liability and Contingent Liability.                                                                                                                                                                             |
| <b>Customer Needs Met by the Product</b>  | Protects businesses during the process of a merger or acquisition process or protection for known legal and regulatory tax exposures.                                                                                                                                         |
| <b>Target Market</b>                      | Small, Medium and Large sized commercial customers. This product is available worldwide.                                                                                                                                                                                      |
| <b>Customers not in the Target Market</b> | All individual customers, and all commercial customers who do not require cover for Warranty and Indemnity, Tax Liability and Contingent Liability.                                                                                                                           |
| <b>Distribution</b>                       | 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. |
| <b>Claims and Complaints Handling</b>     | 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.            |

|                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Any Exclusions or Conditions, or Circumstances where the Product will not respond</b></p> | <p>Risks written under this product are individually underwritten so any exclusions, conditions and excesses that apply will depend on the risk insured and will be stated in the quotation and broking submission, as well as the policy wording (and Insurance Product Information Document where applicable).</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <p><b>Product Governance</b></p>                                                                | <p>Chaucer's Product Oversight and Governance Policy clearly defines the standards it is required to implement to ensure good customer and fair value outcomes.</p> <p>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:</p> <ul style="list-style-type: none"> <li>• What is the intended market for the product?</li> <li>• What type of customers is the product not suitable for?</li> <li>• What customer need is met by the product?</li> <li>• Is the product likely to meet the needs and reasonable expectations of customers in the target market?</li> <li>• Is the total price of the product (including all fees and commissions) fair and reasonable?</li> <li>• Is the distribution method appropriate, and does distribution remuneration have an adverse impact on fair value?</li> <li>• Are there any conditions or exclusions that mean reasonable customer expectations may not be met?</li> </ul> <p>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:</p> <ul style="list-style-type: none"> <li>• Complaints volumes.</li> <li>• Complaints root causes.</li> <li>• Complaints response times.</li> <li>• Claim declinature rates.</li> <li>• Claim declinature root causes.</li> <li>• Claim response times.</li> <li>• Loss ratios.</li> </ul> |

|                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Fair Value Assessment</b>              | <p>Based on the assessment 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>                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Product Status</b>                     | This product is open to new and renewal business.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Conflicts of Interest</b>              | There are no circumstances we are aware of that will cause a conflict of interest.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Other Information for Distributors</b> | <p>Chaucer expects its distributors also to promote customer value by:</p> <ul style="list-style-type: none"> <li>• 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,</li> <li>• Regularly reviewing their product distribution arrangements and their effect on product value, and notifying us if they identify any concerns,</li> <li>• If requested, providing us with remuneration information in connection with the distribution of a product.</li> <li>• Ensuring that no duplicate cover exists or is caused by an add-on where that cover is already provided by the policy, and</li> <li>• Ensuring that their distribution arrangements are in accordance with all applicable regulatory requirements.</li> </ul> |

**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.**