

Fair Value Assessment

Product Manufacturer	'DAS Legal Expenses Insurance Company Ltd ('DAS')
Product name	Motor Breakdown Insurance
Date of assessment	March 2023
Due date of next assessment	31 March 2024

Product Information

The Product Review and Fair Value Assessment confirms that the product provides fair value to customers and will continue to do so for the foreseeable future. The review concluded that the distribution strategy remains appropriate when considering target market and customer value.

Products will be reviewed at least every 12 months or more frequently if any concerns are highlighted. The product approval process is detailed in the Distributor Product Information document.

Distributor Product Information

DAS provides Distributor Product Information on:

- Target market
- Roles and Responsibilities
- Types of customers for whom the product would be unsuitable
- Any notable exclusions where the product will not respond
- Other information which may be relevant to distributors

Distributor Value Impacts:

As a distributor we remind you of your responsibility in relation to the Fair Value of the DAS products that you distribute. Examples of distributor influences on Fair Value include but are not limited to;

- Remuneration – high commission levels or fees may reduce the value of this product for the customer.
- Duplicate product sales – sales where the customer may have cover elsewhere and are therefore unable to fully utilise the DAS product would negatively impact value.
- Sales to ineligible customers and sales to customers outside of the product target market would lead to poor value for those customers.
- Ensuring accurate product information and promotion will aid customers' understanding of the product benefits particularly with respect to common exclusions such as the 48 hour initial waiting period, treatment of vehicles with SORN status or requirements to maintain the vehicle in a roadworthy condition and with MOT.

Fair Value Assessment

In accordance with the FCA PROD 4.2 a customer Fair Value Assessment has been undertaken for Motor Breakdown.

The intended product value is to enable customer's access to breakdown services in the event of a mechanical breakdown of their vehicle providing these in a time efficient and cost effective. Our Fair Value Assessment and Product Review are designed to ensure that this value statement remains true.

The assessment of fair value included the review of the following data items:

- Average cost
- Claims accepted
- Claims declined
- Complaints



- Repair rate
- Operational SLAs
- Gross claims frequency
- COR
- Commission
- Sales outside of eligibility

Our analysis of this data confirmed the product provides fair value for customers and metrics were within the tolerances set.