



Further to the requirements implemented as part of the Insurance Distribution Directive (IDD) from 01 October 2018, additional requirements have been outlined as part of the Financial Conduct Authority's (FCA's) fair value measures reporting from 1<sup>st</sup> October 2021. We at LV= Broker understand the importance of complying with the new regulation and ensuring customers are provided with enhanced protections when purchasing insurance.

In our efforts to support our Broker partners meet their own IDD and FCA requirements, we have ensured IPIDs are available for all our Personal Lines products. You can access these on our LV= Broker website or download them from your software house.

We have also created LV= Broker Product Summary Statements to provide you with clarity on our products, target market, provision of fair value and distribution strategy. It also includes an overview of our Product Governance framework.

If you have any questions about this, please contact your LV= Broker relationship manager.



<b>Product Type</b>	Rainbow Home
<b>Product characteristics</b>	<p>The LV=Broker Rainbow Home product is designed to financially protect the purchasing home owner/ occupier against loss or damage to their property, or liability to a third party relating to home ownership/ occupation for which they are legally responsible. The product offers Buildings-only cover (covering the property structure including permanent fixtures and fittings plus property owners' liability), Contents-only cover (covering the general contents of the home within the home and it's grounds plus occupiers and personal liability) and combined Buildings and Contents. Customers choosing Buildings cover are also granted a limited amount of home emergency cover as standard to cover the cost of call-out charges, labour and materials for immediate repairs to stabilise the home after an emergency event.</p> <p>Additional covers include, but are not limited to, accidental damage and personal possessions (including specified items, covering personal items whilst temporarily removed – for example, whilst travelling or on holiday. This can include valuable items such as jewellery). The product also allows for family home legal expenses cover to be added as an optional extra, to cover the cost of legal fees arising as a result of owning or occupying the home up to £100k.</p> <p>This product provides cover on a blanket sums insured basis up to £100k for Contents and £1m for Buildings.</p> <p>Cover is sold on an annual basis.</p> <p>If you require any policy documents for this product please visit the LV= Broker website, <a href="#">here</a>.</p>
<b>Target Market</b>	<p>This proposition is open to customers who are 18 years of age or older, who are home owners or live in rented accommodation, resident in the UK.</p> <p>Whilst individual exceptions apply, the typical target market is:</p> <ul style="list-style-type: none"> <li>• Properties that are the main residence of the policyholder and their family</li> <li>• Homes with standard construction</li> <li>• Customers with an acceptable claims history according to our acceptance criteria</li> </ul>



	<ul style="list-style-type: none"> <li>• Customers without any criminal convictions (unless deemed spent)</li> <li>• Properties that are not left unoccupied for more than 60 days at a time</li> <li>• Properties not at risk of flooding unless within our risk appetite</li> <li>• Properties not at risk of subsidence</li> <li>• Properties which are not used for business or rental purposes</li> </ul> <p>For all product tiers, the underwriting criteria accommodates the mass market but is not designed for categories such as non-standard construction, non-standard use/ occupation of the property, adverse claims histories or for customers with numerous high-value possessions; where more suitable products are available in the market.</p>
<b>Distribution Strategy</b>	<p>Annual contract term products are sold through FCA regulated brokers and other authorised intermediaries.</p>
<b>Product Governance and Oversight</b>	<p>In accordance also with the FCA's Product Governance Sourcebook (PROD), the Product Oversight and Governance rules maintain that insurers must operate and review a process for the approval of new products, by which:</p> <ul style="list-style-type: none"> <li>• An assessment of the product has been undertaken</li> <li>• Product target market is identified</li> <li>• The product has been tested</li> <li>• Product distribution strategy and distribution chain is consistent with the target market</li> <li>• Products are regularly reviewed to ensure they remain suitable for the target market</li> <li>• The key characteristics and features of the product have been identified</li> <li>• The charging and fee structures have been considered</li> <li>• Information on the approval process and target market is made available to intermediaries</li> </ul>



LV= Broker has a well-established Product Governance framework in place, which includes a New Product Approval process, as well as a regular, ongoing product review programme, both of which meet the requirements of the IDD and PROD.

New product developments and any material changes to existing products are subject to a formal approval process which ensures products are designed for and continue to meet the needs of customers. Our internal monitoring processes also regularly identify whether the product provides fair value to customers in the target market for a reasonably foreseeable period both for the initial policy term and any subsequent renewal.

LV= Broker's Product Governance framework focuses, among others, on areas such as Treating Customers Fairly (TCF), Conduct Risk (including Vulnerable Customer requirements) and relevant FCA Thematic Market Review outcomes. Products are also subject to continuous monitoring, taking into account feedback from Operational, Claims and Complaints teams, changes in regulation or guidance from the FCA, market developments and 3rd party supplier feedback.

We use all this information to identify if any changes are required and to ensure our products continue to be compatible with the needs of target customers.

Highway Insurance Company Ltd (referred to in tandem with LV= Broker below) is the product manufacturer. In our role of product manufacturer, LV= Broker will continue to apply the existing Product Governance framework to ensure our products deliver positive customer outcomes. However, if you become aware that our products are not in line with the needs and objectives of customers or if you become aware of any product-related circumstances which may adversely affect customers, please provide feedback through your LV= Broker relationship manager.