



# **Fair Value Assessment and Target Market Statement**

Assurant Let Home Emergency  
Insurance

Distributor Information Pack

February 2026

## Introduction

You are receiving or viewing this document because you are involved in the distribution of an insurance product manufactured by Bspoke Underwriting Ltd (BSU).

In accordance with PROD 4.2.29 to 4.2.32 this document provides:

1. all appropriate information on the insurance product
2. all appropriate information on the product approval process; and
3. the identified target market of the insurance product.

It includes

1. all appropriate information to enable you to understand the intended value of the insurance product established by us.
2. any effect you may have on the intended value that has not been fully taken into account by BSU when assessing value, and therefore which you should take into account; and
3. the intended target market for the product and any type of customer for whom the insurance product is unlikely to provide fair value.

## Product Oversight and Governance

This section contains important information about the manufacturer, product and associated product approval process and fair value assessment.

### Co-Manufacturer – BSU/WICE

BSU is a regulated entity as detailed below and in the period of review were the Co-Manufacturer of the product with the insurer (WICE).

Registered Company Name	Registered Office	Company No.	FRN
Bspoke Underwriting Limited	Brookfield Court, Selby Road, Leeds, West Yorkshire, LS25 1NB	04506493	310101

### Product Review and Approval Process

In line with the FCA regulations outlined in PROD 4 BSU operates a Product Oversight and Governance (POG) process. In accordance with this process the product detailed in this document has been reviewed and approved by the firm's Product & Scheme Governance Forum and is subject to ongoing monitoring and formal periodic review.

Any significant changes or adaptations to the product are subject to review and approval before being distributed to customers.

### Fair Value Assessment

In accordance with the requirements in PROD 4.2 BSU have defined what value means in the context of its business model, and have taken into account a range of factors in its assessment including:

- Target market characteristics and needs
- Potential customer vulnerability and any impact or mitigation
- Value measures and KPIs
- Distribution methods and remuneration
- Product risk ratings
- Operational and claims service levels and outcomes

The fair value assessment is conducted as part of the periodic product review with KPIs and metrics monitored on an ongoing basis.

## Product Review and Fair Value Assessment

The following section contains information on the insurance product, details of the review and BSU's assessment of value.

<b>Product Manufacturer Name</b>	BSU/WICE
<b>Product name</b>	Assurant Let Home Emergency
<b>Product type</b>	Assistance
<b>Class of business</b>	Home Emergency
<b>Insurer</b>	Watford Insurance Company Europe Limited
<b>Date of Review</b>	February 2026
<b>Period of Review</b>	January 2025 – January 2026
<b>Type of Review</b>	Annual
<b>Approved by</b>	BSU Board
<b>Date of next Review</b>	February 2027

### Target market statement

This Target Market Statement explains the types of customers BSU's product is designed for, types of customers it is not suitable for and how BSU expect it to be distributed. This document is not intended for customers or operational sales staff.

In many instances, customers may have need for more than one product and they may then be offered a combination that would be compatible with those needs, subject to the eligibility criteria for each product. They should not be offered combinations of products that do not provide fair value.

Risks of customer harm can be avoided by ensuring the customer's needs, objectives, interests and characteristics are met by the product and coverage selected, taking into account and adjusting for any aspects that may make them vulnerable customers (e.g. poor health, resilience or capability).

<b>Target market</b>
<p>The target market for this product are:</p> <ul style="list-style-type: none"> <li>Landlords in the UK who own one or more UK domestic properties (defined as England, Scotland and Wales, but does not include the Channel Islands and the Isle of Man) with a building sum insured of up to £2,000,000 and 5 bedrooms; and</li> <li>who have a main let property insurance product in place that covers loss or damage to buildings and any liability to the public.</li> </ul> <p>The target market will be purchasing their main let property policy/policies through a mortgage broker or IFA or an insurance broker and wish to include home emergency as an optional add on to their core landlord policy.</p>
<b>Type of customer the product would be suitable for</b>
<p>The product is suitable for:</p> <ul style="list-style-type: none"> <li>Owners of a property in the UK which is tenanted as a let property</li> <li>Individual customers over the age of 18 that require emergency assistance in the event of a loss either to make the property safe or to mitigate further loss.</li> </ul>

**Types of customer for whom the product would be unsuitable**

This product is not suitable for:

- Those not resident of the UK
- Those looking to insure property outside of the UK.
- Those looking to insure properties used for commercial activities and/or who run a business from their home.
- Properties that remain unoccupied for a significant length of time, where the policyholder cannot meet the unoccupancy criteria of the policy
- Those who rent out a property with more than 5 bedrooms
- Those who have a boiler over 10yrs old
- Those with CCJ's, adverse credit or criminal convictions. In these cases, the ABI will be able to advise of suitable products and providers.

**Available Covers**

This is a modular product that allows intermediaries to create an insurance solution to meet the needs of the specified target market. The following covers are available:

Cover	Mandatory
<p>The policy provides home emergency cover for the following:</p> <ul style="list-style-type: none"> <li>• Failure of, or damage to, the electricity supply</li> <li>• Failure of, or damage to, the plumbing and drainage system, including the toilet(s) which causes internal water leakage; flooding; or water damage</li> <li>• Complete failure of the primary heating system</li> <li>• Leakage, collapse, or blockage of the mains water supply between the stopcock in the property and the point where it is connected to the public or shared water supply</li> <li>• Repair or replacement of any damaged section of internal gas supply pipe following a gas leak</li> <li>• Sudden and unexpected failure of or damage to external locks, fitted to doors and windows where the failure or damage is such so as to render the property unsafe or insecure.</li> <li>• Emergency damage to roofing</li> <li>• Alternative accommodation</li> <li>• Pest Control</li> <li>• There is a maximum limit of £500 per claim</li> <li>• There is a maximum of 5 claims per policy in each year of the policy</li> </ul>	<p>Yes</p>

**Any notable exclusions or circumstances where the product will not respond**

The key policy exclusions are as follows:

- Loss of, or damage to, electricity supply where the whole of the property is not affected
- Leaks from sinks, baths, or showers where the leak only occurs when the item is in use.
- Loss of hot water if there is an alternative means of heating water, for example: an immersion heater
- The repair or replacement of parts if the boiler is deemed beyond economical repair
- Gas leaks where the leak has not been isolated by the gas distributor
- Double glazed windows unless both panes of glass have been damaged
- Loss of keys where an alternative set is available for use
- Wear and tear or lack of maintenance

- The policy excess
- More claims than the call out limit
- Boilers over 10 years of age
- Any claims caused by or resulting from infectious or contagious disease

Certain limitations may apply to the policy, for example:

- The property is located within the United Kingdom (defined as England, Scotland and Wales, and does not include the Channel Islands and the Isle of Man) and will not be left unoccupied for more than 30 days at any one time
- The insured is not aware of any faults or problems which are likely to lead to an emergency
- The insured will have to pay the first £65 towards a claim if their boiler breaks down if they cannot provide evidence that the boiler has been serviced within the last 12 months

**Features you should be aware of when considering this product**

Your firm’s sales journey should identify the eligibility of customers and ensure that information is presented to them in a way that supports them through the process and enables them to make an informed decision whether the product meets their needs.

Where there are different underwriting and cover options available for this product customers should consider which option best suits their needs and circumstances.

Your firm’s customer journey and interactions should highlight and identify any customers with potential areas of vulnerability and address them accordingly.

**Intended method of Distribution**

The product should be sold by an authorised insurance intermediary, in line with FCA regulation and has been approved for retail distribution whether advised or non-advised. The sale of the product can be via online, telephone or face-to-face channels.

If the product is distributed to the customer via more than one broker (including ARs) then the second-tier broker:

- should not have their own agency with any BSU entity.
- must deal directly with the end customer rather than through a third-tier broker.

**Distribution costs, fees and remuneration**

The product supports the payment of commission to distributors within the ranges detailed in your Agreement with BSU (or its approved representative). If fees are charged to the customer for new business or renewal your firm should ensure this does not erode the value of the product and is commensurate with the work done in the distribution chain.

Where a policy is cancelled mid-term and outside the cooling off period the return premium to the customer must be at a gross level and include the proportion of commission paid.

**Value Assessment**

BSU are satisfied that the pricing, the cover, the design of the product, the claims settlement process, and the distribution methods chosen by BSU results in a product that represents fair value to the end customer.

Claims rate	
Claims as a % of customer premiums	
Cancellation rate	
Claims acceptance rate	
Claims complaints rate	
Distribution commission	

- A review of the product and service KPIs did not highlight any material concerns. At the time of the assessment, although the claims rate was below BSU tolerance the scheme was not fully earned. It is anticipated that more claims will be received as the binder year matures. Performance is expected to meet the levels seen in the three previous binders years, which were all within BSU tolerance. This will also lead to increased claims spend and impact positively on the “claims as a % premium” KPI.
- The KPIs from the last full binder year were in line or ahead of the FCA value measures.

**Other information which may be relevant to distributors**

This product does not adversely impact vulnerable customers and delivers outcomes that are the same as those for customers with no characteristics of vulnerability.

As part of the process of assessment, BSU have reviewed, amongst other things:

- General market pricing
- BSU’s pricing in relation to the product loss ratio
- Product value over a reasonably foreseeable future period
- Renewal retention
- Mid-term cancellations rates
- Operational and claims service levels and outcomes
- Customer complaints
- Distributor feedback
- BSU’s pay-aways and the general distribution costs of its broker panel as disclosed to BSU.
- Customer needs and any changes in the last 12 months

BSU have also considered the pricing and premiums in relation to FCA regulations in PS21/5, ICOBS 6B and Consumer Duty and are satisfied BSU comply with the necessary requirements.

As part of BSU’s assessment, BSU have concluded that time will not diminish the value of the product to the end customer. The customer may report a claim on the last day of the policy period and receive a settlement that would not be distinctly different to the settlement he would have received had he reported the claim on the first day of the period of insurance. Claims are on an exposure date basis, and late notified or late developing claims are allowable.

This document should be read in conjunction with the Policy Wording and Insurance Product Information Document (IPID) for the product.

**Statement of Demands and Needs**

This product meets the needs of customers who are taking out a let property insurance product and wish to add on home emergency cover at the same time.

**Conclusion of BSU’s fair value assessment**

Fair value assessment outcome	The product has been approved as providing fair value for target market customers and continued distribution	Yes
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