

Product Information Exchange Pack
Munich Re Syndicate Limited

Product Name:	Product Recall
Class of business:	Special Risks
Carrier name:	MRS 457
Date:	Q3 2023

1 Manufacturer Information

Munich Re Syndicate Limited (MRSL) and Alwen Hough Johnson Limited – “Global Product Recall” are the joint manufacturers for this product as set out in our binding authority agreement, and the manufacturer activities are allocated as follows:

Activity	Party Responsible
Product Approval Process	Lead Underwriter and Coverholder
Target Market	Coverholder
Product Testing	Lead Underwriter and Coverholder
Product Monitoring & Review	Lead Underwriter and Coverholder
Distribution Channels	Coverholder
IPID Development	N/A

This document is intended to provide a summary of the product, intended target market, product distribution strategy, and the product approval process. It also sets out the outcome of the annual product review and fair value assessment. This document is intended to be used by distributors and not provided to the end customer.

1.1 Product description

Global Product Recall is designed to provide coverage for Product Recall, including Product Guarantee, Recall and Financial Loss and Auto Recall, Contaminated Products.

1.2 Target Market and identified demand for this product

- **Target Market:** Commercial customers who are manufacturing, processing and distribution companies in a diverse range of industries, ranging from car to food manufacturing. This product targets small and medium sized enterprises up to large corporate entities.
- **Not intended for:** Consumers, individuals or micro-enterprises.
- **Demands & needs:** Product Recall coverages provide insureds with protection against the following type of risks:
 - Product recall where the product would cause bodily injury and third-party property damage;
 - Financial loss, as well as loss of gross income for first and third parties;
 - Third party recall expenses;
 - Product guarantee; and
 - Product defect.

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Some of these covers are required in various contractual agreements and where the Board of a manufacturing, processing and distribution company wants to provide the company with financial security through insurance. These products are standard throughout the Product Recall insurance market.

- **Additional coverages:** Depending on customer need, the following additional coverages are also available: Government Recall; Adverse Publicity; Third Party Customer’s Loss of Gross Income; and Third Party Recall Liability.
- **Customer Eligibility:** Customer must be a commercial customer.

1.3 Distribution strategy for this product

- **Sales method:** The approved distribution strategy is via the coverholder who distributes through wholesale brokers and, in rare cases, retail brokers. Not direct to the end customer/insured.
- **Advised or non-advised sales:** We expect this product to be sold on an advised basis by the customer-facing distributor.
- **Assessment of customer demands and needs:** We expect distributors to have effective assessment processes in place for establishing the customer’s eligibility and demands and needs, and offering the product only where it is appropriate for the customer’s stated demands and needs. This is the responsibility of the distributor.
- **Territorial reach:** Risks located worldwide (excluding EEA) within Lloyd’s jurisdictions and territories, subject to financial crime requirements. We do not write EEA risks placed by Lloyd’s Insurance Company.

1.4 Manufacturer product reviews

Date Fair Value assessment completed	<u>Q3 2023</u>
Expected date of next assessment	<u>Q3 2024</u>

MRSL and Alwen Hough Johnson Ltd have established Product Approval and Product Oversight and Governance (POG) processes.

In accordance with the FCA PROD Product Intervention and Product Governance Sourcebook PROD 4 Product governance rules, a product review and fair value assessment has been completed for this product. The product has been found as representing fair value to customers and may continue to be marketed and distributed. We will undertake ongoing product reviews on a yearly basis and any significant or material changes to this product will go through the product approval process again.

The assessment of fair value included review of the following management information as well as other insights:

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- Loss Ratios and Premium Adequacy
- Commission Ranges
- Conduct Risk MI
- Complaints Data

The following is excluded from the review and as a distributor you must consider:

- any additional fees that you charge a customer / client and the effect on the value of the product.
- any ancillary products sold alongside the product which may affect the product's value or duplicate cover provided with our product.