



Product name: Entertainment - Advertising contingency

Target Market statements and Fair Value Assessment

This document has been designed to support distributors in understanding the target markets for our products. Distributors should consider this information when deciding whether the product is suitable for their clients. It is important to be aware that underwriting and risk acceptance criteria will be applied during the quote process, this may result in some customers within the target market not being eligible for a quote.

Important product information

Full information on product features and significant exclusions can be found in the Policy Summary and Policy Wording documents which should be read in conjunction with the Policy or Quote Schedule.

Customer needs and objectives

Customers require insurance as part of the APA/IPA agreement involved in the production of an advertisement. The policy provides insurance to protect the customer from additional costs incurred that arise from circumstances that are outside of their control, as well as any additional costs that arise out of damage to the media or negative used. Death and disgrace cover is also extended to non-celebrities during both the filming and transmission periods, and to celebrities during the filming period only (a standalone D&D policy should be purchased for the transmission risk).

Product design

Following the latest product review and fair value assessment the product has been approved as providing the expected value to customers. The metrics and other insight reviewed suggest the product is understood and well utilised by customers. For information on the key benefits and any notable exclusions please see the relevant policy summary or contact your local Hiscox underwriter.

Eligibility

- Policyholder should be an advertising agent.
- Policyholder should not have had insurance previously refused, declined or cancelled.

Target market

Advertising agents indemnity insurance is a commercial product designed for advertising agents who are involved in the production of an advert.

Non-target market

This product designed for the target market only – not a general product and is only provided through brokers on an advised-sale basis. This product is not designed for productions with a budget of more than £30million or productions relating to the adult film industry.

Recommended distribution strategy

This product is only offered through brokers, on an advised-sale basis. No direct offering.

Fair value assessment

Date of last fair value assessment: March 2025

Expected date of next assessment: within 12 months of the above date

As a result of our fair value assessment, we have concluded our advertising contingency product is providing the expected value to customers.

1. The product is compatible with the needs of the target market.
2. The distribution and remuneration strategy remains appropriate, we are not aware of any distribution and remuneration arrangements having a detrimental effect on the overall value of the product.
3. The quality of the service provides the expected value.

When completing our fair value assessments, we consider all information that is available and relevant including information provided by our distributors. We also continually monitor key metrics throughout the year to give us ongoing assurance that products are providing the value expected. Where information is outside of our tolerance levels, we may review the product outside of the scheduled timeline.

Assessment	Indicators and measures	Assessment
Product overview	<ul style="list-style-type: none"> • Product summary. • Target market. • Vulnerable customers. • Competitor analysis/external benchmarking. • Product research. 	<p>We have completed a review of the Product metrics including loss ratio, claims frequency and declinatures and can confirm there are no value concerns. An assessment of the remuneration and distribution arrangements has been carried out and there have been no value concerns highlighted. The service key indicators are continually assessed.</p> <p>The assessment of the appropriate metrics for this product demonstrates it is offering the expected value. These metrics show a good level of understanding by our customers. The customer testing illustrates good utilisation of the covers purchased.</p>
Product design/performance	<ul style="list-style-type: none"> • Average premium. • Persistency. • Claims analysis. • Tenure. • Price walking. 	
Remuneration and distribution arrangements	<ul style="list-style-type: none"> • Distribution chain. • Distribution strategy. • Commission, fees and any other remuneration arrangements. • Add-ons. • Premium finance. 	
Service	<ul style="list-style-type: none"> • Key indicators. • Complaints analysis + RCA. • Training. 	