



## PRIVATE CAR SHORT TERM

As a manufacturer, we will provide you with appropriate information to support you in conducting an assessment of the product. This information is not intended for end client use.

This document sets out appropriate information in respect of:

- The insurance product(s)
- The identified target market for the insurance product(s), and
- The product approval and review process

This document is intended to provide you with appropriate information to support you in:

- Understanding the insurance product(s) and their intended value
- Understanding the identified target market for the insurance product(s)
- Understanding who the insurance product(s) is not compatible for
- Carrying out distribution activities for the relevant insurance products in accordance with the best interests of your customers; and
- Distributing the product(s) appropriately to the identified intended target market

## SECTION ONE - PRODUCT FEATURES AND CHARACTERISTICS

In this section we set out the main product features and benefits. Please refer to the Policy wording for the full terms and conditions.

### Cover

This is a short-term Private Car product aimed at non-standard segments of the insurance market including customers with prior claims and convictions. This product has multiple schemes which offer different types of cover, such as for the release of an impounded vehicle, cover for vehicles imported into the UK with Chassis numbers to allow the vehicles to be taxed, and short term insurance from 1 hour to 28 days. Legal liability to third party vehicles or property arising from the use of the insured vehicle is covered up to a maximum of £20 million and compensation for death or injury is unlimited.

Cover is explicit in the policy documentation and transparent to the customer.

### Excesses

Compulsory excesses are set according to the policy cover level. Compulsory excesses represent an appropriate compromise between cost and value and are not out of step with similar products. Excesses are clearly set out in the policy documentation.

## SECTION TWO – TARGET MARKET

### Characteristics of the target market

This is a Personal Lines General Insurance product. As this product contains three iterations of the short-term private car offering, the target market is slightly different for each as below.

#### 30-day Private Car Insurance is suitable for individual customers who:

- (a) Are based in and residents of the United Kingdom
- (b) Have no unspent criminal convictions
- (c) Are aged 25-79 at the point of inception
- (d) Require short-term Private Car insurance
- (e) Have a credit score greater than 50
- (f) Have a Full UK, European, International, or UK Provisional driving licence (depending on other eligibility criteria)

#### Impound insurance is suitable for individual customers who:

- (a) Are based in and residents of the United Kingdom
- (b) Have no unspent criminal convictions
- (c) Are aged 25-69 at the point of inception



- (d) Require short-term insurance for an impounded vehicle
- (e) Have a credit score greater than 50
- (f) Are the owners of the vehicle, or the vehicle is owned by the policyholder's spouse, common law partner, or civil partner
- (g) Hold a full UK or EU driving licence
- (h) Have a maximum of one fault claim in the last 5 years

**Chassis number insurance is suitable for individual customers who:**

- (a) Are based in and residents of the United Kingdom
- (b) Have no unspent criminal convictions
- (c) Are aged 21-60 at the point of inception
- (d) Require Chassis number insurance for an imported vehicle on a short-term basis
- (e) Have a credit score greater than 50
- (f) Are the owners of the vehicle, or the vehicle is owned by the policyholder's spouse, common law partner, or civil partner
- (g) Hold a full UK or EU driving licence
- (h) Have a maximum of one fault claim in the last 5 years

**Objectives, needs and interests of the target market:**

- (a) This product provides cover up to agreed specified limits for loss and damage, liability to others and personal belongings cover
- (b) This product provides cover against third party claims that arise from the use of the vehicle for accidental damage and damage caused by fire or theft
- (c) Chassis insurance and Impound insurance are available on Third Party cover only. Regular Short-Term Private Car insurance is available on either Comprehensive or Third Party, Fire and Theft cover
- (d) Additional benefits are included as standard depending on the cover level selected. This can include Motor Legal Protection, Personal Accident Cover, Personal Injury or Death, Courtesy Car, Windscreen Cover, and Medical Expenses for the insured and passengers, up to the agreed limits and dependent on the terms and conditions
- (e) This product can cover up to a maximum of the insured policyholder plus 3 additional named drivers
- (f) For Comprehensive, for the maximum vehicle value is £50,000. For Third Party, Fire and Theft the maximum vehicle value is £9,000. There is no vehicle value limit on Third Party Only cover
- (g) For Chassis and Impound insurance, there is no maximum vehicle age. For regular Short-Term Private Car insurance, the maximum vehicle age is 34

**Customers for whom the product would not provide the intended value:**

- (a) Customers who are not based in the United Kingdom
- (b) Customers with similar cover elsewhere
- (c) Customers who require commercial vehicle insurance
- (d) Company policies
- (e) Customers who require a policy with a duration exceeding 30 days
- (f) Customers who want to insure more than one vehicle on the same policy
- (g) Customers insuring an unacceptable vehicle, such as a motorcycle or minibus
- (h) Customers purchasing Impound insurance whose vehicle has not been seized and impounded
- (i) Customers purchasing Impound insurance who require a higher level of cover than Third Party Only
- (j) Customers purchasing Chassis insurance who do not require insurance for an imported vehicle using the VIN number prior to the DVLA issuing a registration number
- (k) Customers purchasing Chassis insurance who require a higher level of cover than Third Party Only
- (l) Customers purchasing Chassis or Impound insurance who do not hold a full UK or EU driving licence
- (m) Customers purchasing regular Short-Term Private Car insurance who have held a provisional driving licence for more than three years
- (n) Customers purchasing regular Short-Term Private Car insurance who hold an international driving licence and have been a UK resident for at least one year

**Vulnerable customers**

Haven is extremely aware that there are a range of different vulnerabilities within the Target Market. Whilst there are a range of different vulnerabilities identified, the key recognised areas of vulnerability are those customers with financial challenges and where English is a customer's second language.

If a customer does not understand the cover, terms, or exclusions of a product, this could risk causing harm to the customer where a loss may not be covered in part or in full. As a result of the Consumer Duty review, all customer facing documentation has been thoroughly reviewed to ensure that information is clear, easy to



understand, easily accessible, and does not include any "small print" or misleading/incorrect information or terms which may result in poor understanding or confusion to the customer.

### SECTION THREE – DISTRIBUTION STRATEGY

The following methods of distribution are appropriate for this product

- Online
- Face to face
- Telephone

The following types of sales are appropriate for this product

- Non-advised
- Advised

### SECTION FOUR – REMUNERATION

Haven Insurance is the manufacturer of this product.

Prices are set by Haven Insurance on a gross premium basis. The premium and IPT only are charged by Haven. Remuneration taken by Acorn Insurance is through commission and fees to cover operational and distribution costs. All fees must be brought to the customers attention prior to purchasing the policy.

Acorn also distributes this product through sub-brokers. The sub-brokers may provide both advised and non-advised sales of general insurance products.

### SECTION FIVE - PRODUCT APPROVAL AND REVIEW PROCESS

Haven is a manufacturer of General Insurance products which are distributed by Acorn Insurance and Financial Services Limited ("Acorn") on a Gross Premium basis. Haven is the sole price setter on all products.

The Governance and controls arrangements are designed to enable us to measure our performance in respect of pricing outcomes and understand emerging risk whilst informing our programme of continuous improvement. The aim is to:

- Meet the needs, characteristics, and objectives of our defined target markets
- Ensure clarity of communication so customers are appropriately informed, and
- Ensure customers receive outcomes they expect from Haven products and services, both from Haven and the distributor.

The product approval and review processes are designed to identify whether the product provides fair value and good outcomes to customers and will do so for the foreseeable future. We monitor products across the product lifecycle in order to assess whether they continue to meet our customers' needs and are delivering good outcomes and value. We have established governance procedures to maintain and operate fair value assessments on an annual basis. Our governance process includes regular monitoring and outcomes testing, including taking any remedial action if appropriate.

Before launch all new products go through fair value assessments and are approved by the Head of Underwriting, the Managing Director and Head of Compliance at Haven.

This product goes through an annual Fair Value Assessment and the latest assessment determined this product offers fair value and good customer outcomes, and it was approved by the Haven Product Oversight and Governance Committee on 03/12/2024.

The assessment includes data across different areas including, but not limited to:

- Claims performance,
- Complaints,



- Market analysis,
- Target market,
- Distribution arrangements,
- Reliance on add-ons,
- Reliance on Premium Finance,
- Vulnerable customers,
- Pricing, and
- Service value.

Product actuals, internal tolerance levels, FCA Fair Value Measures, Cross Cutting Rules and Four Outcomes set by Consumer Duty are all taken into consideration as part of the assessment.

The following value metrics have been benchmarked against the latest FCA GI Value Measures available at the time of the latest Fair Value Assessment, as well as internal tolerance levels:

<b>FCA Value Measure</b>	<b>Motor product aggregation</b>	<b>Haven value measure</b>
Claims Frequency	10.30%	25 - 30%
Claims acceptance rate	99%	95 - 100%
Average claims payout	£3,536	£4,500 - £5,000
Claims complaints as a % of claims	7.10%	5 – 10%

Haven has Consumer Duty and Product Oversight and Governance policies in place which are reviewed at least annually.

## SECTION SIX – YOUR RESPONSIBILITIES

To ensure you have adequate information for the appropriate distribution of the product(s), please read this document in conjunction with the Policy wording and Insurance Product Information Documents as collectively they provide more detailed information on the products.

You should ensure you fully understand the insurance product and contact us if you require any additional information or would like to discuss training needs.

We remind you of your responsibility to ensure the distribution arrangements that any remuneration is consistent with your regulatory obligations, including SYSC 19F.2 (remuneration) and SYSC 10 (conflicts of interest).

You must advise us of any increases in remuneration.

You must advise us if any product is not delivering fair value or good customer outcomes and take any appropriate remedial action.