

Excess of Loss Policy – Ascot Underwriting

Glemham Underwriting Ltd has appropriate oversight and governance systems and controls in place to ensure products have been assessed as providing fair value to customers within the identified target market. In accordance with obligations under PROD 4.2, we have carried out a Product Review and Fair Value Assessment as a co-manufacturer of this product.

Most Recent Assessment: December 2025

Next Assessment Due By: December 2026

Based on the assessments carried out, we are satisfied that:

- The product meets the needs of the identified target market
- The product provides fair value to the target market
- The distribution strategy remains appropriate

We test products prior to their release and over their lifetime (including where there is significant change to the product or the target market, or MI indicates further testing is required). Therefore, the next assessment may take place before the above date and this document updated accordingly.

Product name	Excess of Loss
Manufacturer(s)	Ascot Underwriting Ltd and Glemham Underwriting Ltd
Brief description	Stand-alone Excess of Loss layer sitting above an underlying / primary liability policy issued by another insurer (follow form with additional Excess of Loss conditions)
Availability	This product is open to new and renewal business
Who is the product suitable for?	<ul style="list-style-type: none"> • Commercial and large-risk undertakings purchasing higher limits above a primary combined liability policies • Corporate insureds familiar with layered liability structures and follow-form mechanics (always broker advised) • Typical application – catastrophic or severity-driven protection beyond primary limits; continuity of terms via follow-form to reduce coverage friction
Who is the product not suitable for?	<ul style="list-style-type: none"> • Consumers / micro-enterprises seeking primary liability or low attachment solutions • Insureds without an in-force primary policy meeting the follow-form requirement (the Excess of Loss depends on valid underlying insurance) • Buyers needing bespoke primary coverage terms that are inconsistent with follow-form application at excess layers • Insureds seeking cover for exposures expressly excluded in UXL001 (e.g. offshore employees, asbestos / PCBs, war, sanctions-impacted activities) • Insureds unable to comply with claims notification / co-operation requirements or who expect the Excess of Loss insurer to automatically follow any ex-gratia settlement by the underlying insurers
Key features of cover (high level summary)	<ul style="list-style-type: none"> • Liability up to an agreed limit in excess of the total underlying insurance limit (as stated in the policy schedule) • Follow form – the policy follows the underlying / primary policy terms, conditions, definitions, limitations, and exclusions, plus any additional exclusions / conditions stated in UXL001 (if there is a conflict, the Excess of Loss policy wording prevails for the Excess of Loss insurer’s obligations) • The policy covers damages (including claimant costs recoverable from the insured) arising from an insured loss indemnified by the underlying / primary insurance, once the underlying / primary insurance limit(s) are exhausted / eroded as specified <p>Continued...</p>

Key features of cover (high level summary) – continued	<ul style="list-style-type: none"> • Costs and expenses: <ul style="list-style-type: none"> ○ If the primary policy is costs in addition, costs under the Excess of Loss do not reduce the Excess of Loss limit ○ If the primary policy is costs inclusive, costs under the Excess of Loss do reduce the Excess of Loss limit ○ Proportional contribution by the Excess of Loss insurer to defence costs once the loss may exceed underlying limits • Jurisdiction / territorial scope: <ul style="list-style-type: none"> ○ Choice of law & jurisdiction: England & Wales / Scotland / Ireland (as applicable and shown in schedule) ○ Arbitration: LCIA rules; one arbitrator; seat England; language English ○ Territorial limits: UK / Rest of World per IRR; specific geography per schedule and as per underlying insurance • Compulsory insurance: Not subject to UK compulsory EL provisions (XOL does not override primary statutory requirements)
How should this product be distributed?	<p>The product is designed to be distributed through UK insurance intermediaries (FCA regulated firms and their Appointed Representatives). The intermediary should provide advice and guidance to the customer on the suitability of the product and appropriate levels of cover</p>
What should distributors do to ensure the product provides fair value to the end customer?	<ul style="list-style-type: none"> • Care must be taken to ensure no duplicate cover exists or is caused by an add-on where that cover is already provided by the policy • Remuneration (commission and fees / charges) must not exceed the maximum levels stipulated in the agency agreement and should be proportionate to costs incurred by the distributor and services they provide • Distributors must ensure that any additional services offered to customers, such as retail premium finance, do not detrimentally affect product value • Individual customer needs must be considered, including those of vulnerable customers with services adapted accordingly
Product literature	<p>Full information about the product can be found in the Policy Summary and Wording, which should be read in conjunction with the Policy / Quote Schedule</p>

Product Review and Fair Value Assessment – Further Information

Our reviews and assessments utilise the management information set out in the table below, which incorporates information provided by our distributors. Where indicators and measures fall outside of our agreed tolerance levels, we investigate these to ensure that the product continues to meet the needs of and provide value to the target market, and the distribution strategy remains appropriate.

	Products and Services	Price and Value	Customer Understanding	Customer Support
Ancillary products and services	✓	✓		
Cancellation metrics	✓		✓	
Claims metrics	✓		✓	✓
Competitor products	✓	✓		
Complaints metrics (sales and claims)	✓		✓	✓
Customer feedback	✓	✓		✓
Distribution strategy		✓	✓	✓

Table continued...

	Products and Services	Price and Value	Customer Understanding	Customer Support
Internal audit results	✓		✓	✓
Internal feedback	✓		✓	✓
Operational service		✓		
Premium finance metrics	✓	✓		
Previous assessment of the product	✓	✓		
Pricing metrics		✓		
Quality assurance	✓			✓
Remuneration		✓		
Renewal ratios / customer tenure	✓	✓	✓	
Target market assessment	✓	✓	✓	✓
Vulnerable customer considerations	✓	✓	✓	✓

Outcome of Assessment

Our assessment of the data confirms the ongoing fair value of this product.