

January 2026

Dear Distributor

## **Product Approval Information Document**

You are receiving this Product Approval Information Document as you are involved in the distribution of an insurance product ('product') co-manufactured by Accelerant Insurance UK Limited.

Please read this document carefully as it includes important information about the co-manufacturers, product and associated product approval process and fair value assessment.

### **Co-Manufacturers**

Accelerant Insurance UK Limited ('Accelerant') is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (firm reference number: 207658). Full details of Accelerant's regulatory status can be found at: [www.accelins.com/regulatory-status/](http://www.accelins.com/regulatory-status/).

Accelerant co-manufactures products with carefully selected Managing General Agents ('MGAs'), with products underwritten and distributed exclusively through these MGAs. The name and contact details of the MGA involved in co-manufacturing the product detailed in this document are provided in the Product Information section on page 3.

### **Product Approval Process**

In accordance with Accelerant's Product Oversight and Governance Policy, the product detailed in this document - please refer to the Product Information section on page 3 for details - has been reviewed and approved by the firm's Product Oversight Group. The product is subject to ongoing monitoring and formal periodic review by both Accelerant and the MGA as co-manufacturers. Where a significant adaptation to the product is proposed, it is reviewed and, where appropriate, approved prior to the adapted product being marketed or distributed to customers.

### **Fair Value Assessment**

In accordance with the regulatory requirements outlined in PROD 4.2 and PRIN 2A of the FCA Handbook, the co-manufacturers have analysed a range of value measures and subsequently deemed the product outlined on page 3 to represent fair value to the customer.

To ensure the customer receives fair value from this product, care must be taken to ensure that no duplicate cover exists, for example, where another product has been purchased by a customer alongside a primary product (i.e. an add-on). Where additional services or products - including premium finance - are provided by you alongside this product and/or you receive remuneration in the form of commission and/or fees, this information will have formed part of the fair value assessment. In accordance with regulatory requirements, all commissions, fees and other charges passed onto the customer must be proportionate to the service provided and represent fair value.

Should you wish to:

- request further information on the product outlined in this document;
- request further information on the product approval process and/or fair value assessment;
- provide new information, or an amendment to information already provided, in relation to any additional service(s) and/or product(s) provided and/or any additional remuneration received (e.g. commission, fee or other charge); or
- highlight any concerns about whether the product provides fair value to the customer

please contact the MGA involved in co-manufacturing the product whose contact details can be found in the Product Information section on page 3.

Yours faithfully



**Nick Brown**  
**Chief Underwriting Officer**  
Accelerant Insurance UK Limited

## Product Information

Name of Product:	Commercial Combined
Name of MGA:	Kovrilo Limited
MGA Contact Details:	<a href="mailto:Tim.Smith@kovrilo.com">Tim.Smith@kovrilo.com</a> and <a href="mailto:Sonia.Habib@kovrilo.com">Sonia.Habib@kovrilo.com</a>
Date of Product Approval:	November 2025
Date of Fair Value Assessment:	October 2025

### Target Market Description:

Small and medium sized commercial enterprises (SMEs) operating in low-to-mid market commercial combined lines whose exposures are a mixture of property, public/product liability and trade (business interruption, stock, goods in transit etc.). Typical sectors: wholesale & distribution, light manufacturing, light engineering, retail trade, specialist trades, and small logistics/warehousing operations where claims handling is a key differentiator. These are commercial customers (non-retail / professional/commercial clients) placed by regulated brokers. The product is intended for businesses domiciled in the United Kingdom.

### How we will know a client falls inside the target market (objective indicators):

We will require the broker to complete a standard submission template that captures the following gating criteria. A client is in our target market if they meet the majority of the following:

- Annual turnover: typically up to £25m (flexible by referral but used as primary guide).
- Annual premium requirement: generally up to £50k (programmes over this are referred).
- Employee count: up to ~250 employees (consistent with SME thresholds).
- SIC / sector code within our stated appetites (wholesale/distribution, light manufacturing, light engineering, specialist trades).
- Mixed exposures (property + liability + trade) that cannot be cleanly placed into standard corporate desks but are not catastrophic/industrial in nature.
- Claims profile: no single prior loss exposure above a threshold (e.g. not repeatedly subject to losses > £250k) without clear remediation.

These criteria will be embedded in our distribution appetite document, broker submission form and our automated triage to ensure consistent identification.

### Expected knowledge & experience of target clients (and intermediaries):

Clients themselves are typically SME owners/managers – not insurance specialists – and will rely on their broker for product selection and explanations. They will normally understand the operational risks of their business and basic insurance terms (property, public liability, employer's liability), but not detailed policy wordings. Brokers and intermediaries distributing the product are regulated, experienced commercial brokers who understand commercial combined coverage, statutory obligations (e.g. Employers' Liability), and can translate policy scope to the insured. We therefore expect distribution to be broker-led.

Product is designed to cover the common mixed exposures of SMEs (property, public/products liability, business interruption and trade risks) in a single combined policy with flexible endorsements and sensible sub-limits/excesses appropriate to SME scale. Pricing and cover options are calibrated to SME risk profiles and to reflect the types of loss frequency/severity we expect in wholesale, manufacturing and light engineering sectors. Built-in claims capability (dedicated claims handlers, sector experience) reduces time to resolution and business interruption for SME customers – a key need in the target sectors. Documentation and broker support are tailored to non-technical decision makers (clear key facts, plain English summaries, broker pack with sample wordings and FAQs.)

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**Unsuitable Market Description:****Non-target market:**

*Large corporates, clients with complex or high-severity exposures (heavy engineering, high value manufacturing, high hazard chemical processes, large property portfolios), captive programmes, or risks requiring bespoke corporate underwriting or treaty capacity. Also not suitable for personal/household or motor-only risks.*

Please refer to the policy documentation for full details of the covers and exclusions.

**Product Cover & Structure:****Mandatory Covers**

- Material Damage
- Specific All Risks
- Business Interruption
- Loss of Business Money
- Personal Accident
- Loss of Licence
- Deterioration of Stock
- Good in Transit
- Overnight Tools Cover
- Public Liability
- Products Liability
- Employers Liability
- Terrorism
- Essential Business Legal Expenses

**Optional Covers**

- As above

**Additional Information:**

This document is to be read in conjunction with the policy wording and IPID or summary document.

**Approved Distribution:**

This product should be sold in line with FCA regulation and has been approved for retail broker distribution whether advised or non-advised.

**Fair Value Over Time:**

- Duplicate cover risk: Customer communications highlight potential duplication and enable an informed choice (e.g., PDPs, demands-and-needs, key exclusions/limitations), evidenced by QA sampling and outcome testing.
- Alignment to needs: Target market and needs analysis map insured events to customer objectives, with periodic outcome MI to confirm real-world fit and remedial actions where gaps appear.
- Exclusions impact: Exclusions are tested against reasonable expectations; material limitations are signposted and priced accordingly, avoiding essential needs being excluded without mitigation.
- Claims value: Claims MI (acceptance, speed, leakage, repudiation reasons) demonstrates benefits are delivered when risks materialise; root-cause actions address frictions.  
Benchmarking: Benefits, limitations, and total price are benchmarked to comparable market

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offerings and FCA value expectations; deviations trigger pricing or feature changes with documented rationale.

#### **Pricing Differentials:**

There is no insurance premium differential applied directly based upon:

- a client's vulnerability or protected characteristics
- the choice of the client to use or not use a premium finance facility
- the client opting/not opting into an auto-renewal arrangement
- the number of policy periods the client has been covered by the product (tenure)