

**COMMERCIAL LOSS RECOVERY INSURANCE  
PRODUCT VALUE ASSESSMENT**

This document is designed to be read in conjunction with Lorega’s target market statement.

Product Name	Commercial Loss Recovery Insurance
Insurer	Tokio Marine Kiln (Lloyd’s Syndicates 510 and 1880).
How offered	The product is only available for purchase as an add-on to an existing property and business interruption insurance policy.
Distribution strategy	<p>Distribution of the product is only permitted by brokers which have been approved by Lorega as suitable distributors for the target market.</p> <p>No further brokers in the chain are permitted without Lorega’s prior approval. Any such approval will include consideration of their impact on product value.</p>
Commission	<p>Brokers can select commission rates from a range set by Lorega, so that remuneration can be aligned to their own distribution costs. The maximum commission rate set by Lorega cannot be exceeded.</p> <p>Lorega maintains oversight of all broker commissions and, where there may be a risk to product value, the matter is discussed with the broker and remedial action taken whenever necessary.</p> <p>Brokers are also reminded of their own regulatory obligations in relation to remuneration under PROD 4.3.6E.</p>
Policy fees (payable in addition to the premium)	<p>Lorega does not charge policy fees.</p> <p>Distributors are not permitted to charge fees which are attributable to Lorega products and are subject to monitoring by Lorega to ensure that this is the case.</p>
Value to the customer	<p>Lorega regularly analyses data relating to claims made on the product, including the frequency of claims, the number of claims accepted and rejected, claims payments made (loss adjusters’ fees) versus gross premiums received, and claims complaints as a percentage of claims made.</p> <p>At the time of completing this assessment, Lorega is satisfied that the above data confirm that policyholders are receiving fair value from the product.</p>

Customer feedback	<p>All claimants are asked to complete a feedback survey after their claims have been closed, the results of which are collated and analysed by Lorega.</p> <p>At the time of completing this assessment, survey data consistently indicates high levels of policyholder satisfaction in relation to the performance of the product.</p>
Date of assessment	01 June 2023

For broker use only.