

# Berkshire Hathaway European Insurance DAC (UK branch)

## Product Information Exchange *September 2024*

### PRODUCT NAME

Primary Directors and Officers – Executive First

#### **Key value elements, notable exclusions, and optional covers**

#### **What are the key value elements of the product that meet the needs, characteristics, and objectives of the target market?**

The product provides protection for companies and company managers from claims that may arise as a result of decisions and actions taken as part of the company manager's duties.

The product provides the following key coverages:

- non-indemnified loss of insured persons
- company reimbursement
- company securities

#### **Are there any notable exclusions or circumstances where the product will not provide cover?**

Exclusions include:

- illegal conduct
- pending and prior litigation
- bodily injury/property damage
- pension trustee liability
- public offering of securities
- a claim brought or maintained in the USA

#### **Does the product include optional covers, extensions of cover or add-ons?**

Coverage extensions include:

- advancement of specified costs and expenses
- asset and liberty proceeding costs
- deprivation of assets expenses
- emergency costs
- discovery period
- new subsidiaries
- mitigation costs
- insolvency hearing costs
- interpretative counsel
- public offerings

Some of these extensions can be excluded and if included they are subject to a sub-limit of liability. Please see the policy wording for full details on extensions and exclusions.

The product does not include any add-ons.

#### **Target market**

#### **Who is the product designed for?**

This is a commercial insurance product which is mainly targeted at large private incorporated companies and publicly traded companies. It could also be offered to businesses that are formed through Limited Liability Partnership, charities and incorporated small and medium enterprises (SMEs).

#### **Who is the product not appropriate for?**

This product is not suitable for consumers, which is defined by the FCA as any natural person who is acting for purposes which are outside of their business, trade or profession. It is also not suitable for:

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- Companies that offer financial services, including companies that involve with cryptocurrency business.
- Companies that have exposure to USA securities.
- Sole traders.
- Unincorporated businesses.

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### ***Distribution***

#### **How can this product be sold?**

This product should be sold via a professional insurance intermediary who can assess the customer's demands and needs and provide guidance as to the appropriate level of cover. This product can be sold face to face, via telephone or electronic communication or a mix of these methods.

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### ***Product Oversight and Governance***

Our Product Oversight and Governance framework places customer centricity at the heart of our business. When we set our processes and standards, the main objective is to ensure the delivery of good customer outcomes. We managed our products throughout their lifecycle and ensure that products are designed and distributed in a way that it will support our customer's financial objectives and it will prevent foreseeable harm for our customers. Our framework maintains oversight of the following:

- The product design process
- Identification of a clearly defined target market
- Product scenario testing
- Distribution strategy
- Product documentation
- On-going monitoring and review
- Fair value of our products
- Service provided to our customers

All new products and material product changes are subject to our product governance framework, and they will go through the applicable assessment process before they are marketed or distributed to customers.

As part of our on-going review, we assess our products against several factors and metrics to monitor how we deliver good customer outcomes. When we fail to deliver, we will act immediately to remediate the situation.

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### ***How is value assessed?***

In line with FCA guidance, Berkshire Hathaway European Insurance DAC (UK branch) assesses product value by comparing the overall cost of the product with the quality of the services provided. When assessing the quality of the services provided, we consider the FCA's value measures metrics as well as information relating to the distribution cost of the product, and to consider what percentage they are of the overall price paid. We have defined internal benchmarks for assessing the balance of these factors and where a product falls short of our standards, we will take action to ensure fair value is always provided to customers.

The value of the product will be assessed on an annual basis (or more frequently if necessary) to ensure it continues to provide value to customers.

This product has been assessed as providing fair value.

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### ***Additional Product Literature***

This document should be read in conjunction with the relevant policy documentation for full details of the insurance cover and exclusions.

This document has been designed for insurance professionals and are NOT intended for customer distribution.