



X<sup>L</sup> Insurance  
Reinsurance

# Product Governance Review

## Fair Value Assessment – Airside Liability

CONFIDENTIALITY LEVEL

# FVA Outcome: Airside Liability

## Key findings

### Product Overview

The product provides cover for contractors and use of vehicles airside where the insured becomes legally obligated to pay for bodily injury or loss of or damage to property of others. There are two key sections of cover:

- Premises Legal Liability – bodily injury or property damage as a result of services provided.
- Products Legal Liability – bodily injury or property damage arising out of products used by the insured.

See detailed Target Market Statement for detail on the range of customers the product is designed for as well as the groups of customers for whom the product is not appropriate and will not provide the intended value.

### Date Fair Value assessment completed

2023

### Fair Value Assessment Outcome

The outcome of the review shows the product delivers value. This product will therefore be monitored as per BAU and reviewed again in 12 months as per [PROD 4.2.34](#) requirement to undertake regular product reviews. There is no action required from distributors at this time.

A summary of why we concluded this product is delivering value is set out below:

- **Nil claims complaints as a % of total claims**
- **Nil claims repudiation rate**
- **Low Cancellation frequency**
- **Total Acquisition Ratio(TAR)**
- **Gross Loss Ratio (GLR)** is relatively low, but as the product matures value is demonstrated. It will be monitored as a part of normal BAU.

Our approach to this product review has utilised data and MI readily available to AXA XL. As a distributor, you may wish to consider metrics you hold in conjunction with this assessment. On conducting your own review, where issues are identified that are not identified within this review, please notify us so we can consider the impact on the product in our capacity as carrier.

### Other factors which may be relevant to distributors

n/a