

Product Name: Cargo Annual Stock Throughput  
Carrier name: Munich Re Syndicate Limited  
Class of business: Cargo  
Date: Q3 2023

## 1 Manufacturer Information

Munich Re Syndicate Limited and Munich Re Specialty Insurance (UK) Limited are the joint manufacturers for this product as set out in our binding authority agreement and the manufacturer activities are allocated as follows;

Activity	Party Responsible
Product Approval Process	Munich Re Syndicate Limited and Munich Re Specialty Insurance (UK) Limited
Target Market	Munich Re Specialty Insurance (UK) Limited
Product Testing	Munich Re Specialty Insurance (UK) Limited
Product Monitoring & Review	Munich Re Syndicate Limited and Munich Re Specialty Insurance (UK) Limited
Distribution Channels	Munich Re Syndicate Limited and Munich Re Specialty Insurance (UK) Limited
IPIID Development	The activity of IPIID development is not required for UK Commercial Risks

This document is intended to provide a summary of the product, intended target market, product distribution strategy, and the product approval process. It also sets out the outcome of the annual product review and fair value assessment. This document is intended to be used by distributors and not provided to the end customer.

### 1.1 Product Information

- **Product Description:** This product is designed to provide cover for all risks of physical loss or damage to Cargo whilst in transit and, where stock throughput is selected, whilst in store.
- **Demands & needs:** This cover has key limits and deductibles which are determined on a risk by risk basis appropriate to the insureds demand and needs. Please refer to the policy schedule for details.

A full list of the exclusions is provided in the policy documentation but the key exclusions for this product include;

#### Generally

Your own wilful misconduct,  
Loss or damage that does not result from a sudden identifiable and unintended or unforeseen external fortuitous cause,  
Loss or damage due to the absence, shortage or withholding of labour,  
Loss or damage caused by war risks other than whilst the goods are at sea or in the air,

Loss or damage due to the use of computers, programmes or processes when used as a means of inflicting harm,

Loss or damage due to any infectious or contagious diseases or epidemic or pandemic.

During transit

Loss or damage caused by delay,

Loss or damage caused by the insolvency or financial default of vessel owners or operators when you are aware, or should be aware, that this could prevent the normal completion of the transit.

If storage not in the ordinary course of transit is insured

Theft, unless following forcible and violent entry into or exit from the storage location,

Loss or damage caused by the insolvency or financial default of owners or operators of premises when you are aware, or should be aware, of the insolvency or financial default.

Other standard market exclusions also apply.

- **Target Market:** This product is suitable for commercial customers.
- **Not intended for:** This product is not suitable for consumer, retail customers.
- **Territorial reach:** United Kingdom including the Channel Islands and Isle of Man. Cover may also be available for subsidiary companies domiciled and risks located outside the above territories subject to internal underwriting guidelines, risk appetite, licensing requirements and sanction regulations.
- **Optional additional cover/extensions:** There are optional additional covers/extensions provided which the customer is able to select in order to meet their needs. Information on our optional additional cover/extensions is provided below.

Optional Add-on / Extension	Demands and needs
Temperature Variation	This provides cover for loss or damage to specified commodities following a variation in temperature due to a breakdown for a period of not less than 24 consecutive hours, fire or explosion, accident at the premises and cover for bailee not connection to power or incorrect setting of parameters. Additional exclusions apply for this cover such as deliberate damage, embargo, rejection, prohibitions and detection.

## 1.2 Distribution strategy for this product

- **Sales method:** This product is sold as a standalone product.
- **Advised or non-advised sales:** All our products are sold through Brokers and therefore we expect Brokers to provide the advice to the end customer.
- **Assessment of customer demand and needs:** We expect distributors to have effective assessment processes in place for establishing the customer's eligibility and demands and needs, and offering this product only where it is appropriate for the customer's stated demands and needs.

- **Commission:** An assessment of the commission structure for brokers has been carried out and it is deemed to be appropriate and reasonable.

### 1.3 Product Information and Approval Process

In accordance with the FCA’s Product Intervention and Product Governance Sourcebook (‘PROD’) rules, we have completed product reviews and fair value assessments across all of our products. The fair value assessments considered product performance against a number of areas including, but not limited to:

- Conduct Risk MI
- Complaints Data
- Commission Ranges
- Loss Ratios
- Broker Surveys
- Customer Understanding & Support Reviews

We will undertake ongoing product reviews on a yearly basis and any significant or material changes to this product will go through the product approval process again.

### 1.4 Outcome of the Product Review and Fair Value Assessment

As a result of the product governance activities undertaken across this product, we can confirm the following:

- The product remains consistent with the needs of the identified target market
- The product continues to provide fair value
- The intended distribution strategy remains appropriate

Date Fair Value assessment completed	<b>Q3 2023</b>
Expected date of next assessment	<b>Q3 2024</b>