

Product Name: Deterioration of Stock  
Carrier name: Munich Re Syndicate Limited  
Class of business: Engineering  
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 deterioration of temperature-dependent goods in cold stores, or other refrigeration facilities.
- **Demands & needs:** The product providers cover for financial loss and deterioration, or putrefaction caused by a rise or fall in temperature within the cold store or the action of refrigerant fumes which have escaped the cold store.

This cover has specified limits based on each individual exposure presented including limits of liability per location insured and overall limits of liability.

Cover also includes extensions to cover including but not limited to automatic restoration of sum insured and measures taken in avoidance of damage

The key exclusions for this product include;  
Pollution or contamination,

Fire, lighting, explosion, flood, earthquake, aircraft or other aerial devices,

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Leakage from sprinkler installation,  
Corrosion or erosion,  
The restriction of electricity supply by a deliberate act of supply provider and  
Other standard market exclusions apply.

- **Target Market:** This product is suitable for businesses that own or store third party temperature dependent goods in cold stores or other refrigeration facilities.
- **Not intended for:** This product is not suitable for businesses that are retail locations, do not have any maintenance procedures in place or do not check temperatures within the cold stores of refrigeration facilities. This product is not suitable for consumers (retail customers).
- **Territorial reach:** United Kingdom including the Channel Islands and Isle of Man. Cover may also be available for subsidiary companies domiciled and stock outside the above territories subject to internal underwriting guidelines, risk appetite, licensing requirements and sanction regulations.
- **Optional additional cover/extensions:** There are no optional additional covers/extensions for this product.

## 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>