Document History

VERSION	DATE	AUTHOR	DESCRIPTION
1	15.12.25	Paul Exton	New policy
1.1	27.4.26	Paul Exton	Annual review, data metrics

Fair Value Assessment (FVA) – Rent Protect Insurance

Addept Insurance Services Ltd (AISL) business vision and strategy was built up to deliver quality, sustainable and tailored add on and ancillary insurance solutions and services through innovation and technology. Product governance is in place to design, monitor, and review our products to ensure they continue to provide fair value and meet the needs, characteristics and objectives of the target market including vulnerable customers. A FVA encompasses good customer outcomes which is at the heart of what we strive for.

The assessment will be completed annually, as a minimum. For significant changes to terms or distribution a new form is required. This will include the following areas:

Overview

Designed to cover legal costs for a Landlord with certain types of disputes connected and related to rented property activities.
Type: Rent Protect
Status: Live, 2025 onwards

Product Information

Target Market: Designed for owners of *properties which are let to tenants.* The product is not aimed at tenants directly.

There are approximately 2.8m Landlords in the UK, with around c. 94% being a private individual. About 43% of UK landlords own just one property, making them "amateur" or smaller-scale landlords. There are significant investors with large portfolios. This leads to a mixed market in terms of scale, capability and experience.

Policy Cover		RAG
Core Cover	Legal costs and expenses for regaining possession of the property	
Secondary Cover	n/a	
Optional Cover	n/a	
Excess	Rent arrears reported 45 days or later of being due, are subject to one month's rent excess	

Product can be purchased standalone or as an add-on to a core Landlords' Buildings insurance policy.

Risks and risks mitigated: Repossession, Eviction of squatters, Rent Protection. Up to £50,000 for legal costs and expenses. Up to £2,500 per month, maximum 12 months for Rent Protection.

Renters' Right Act (2025) – This new legislation is to start from 1st May 2026. Against a backdrop of rising costs and regulations, there is an ongoing trend of some landlords selling properties, while large corporate landlords grow. This new legislation is based on the policy to offer enhanced protections and stability to Tenants. Section 21 notices and Fixed Term Tenancy agreements will no longer be an option. Instead, a Landlord can continue to pursue an eviction and gain possession through the courts where a tenant is at fault. This may include where a tenant commits antisocial behaviour, is damaging the property, or falls into significant arrears. Where Unemployment is high, default rates may remain a significant factor. This insurance is designed to meet the needs where financial and legal assistance is needed in order to navigate these risks such as a breach of the tenancy agreement.

Conflicts of interest – none identified.

Limits/exclusions vs market norm. This is an existing, standard market product and so little innovation at this time. The limits and exclusions are in line with the market at this time. These will be reviewed on an ongoing basis. Key exclusions are: pre-inception incidents, properties outside of England, Scotland, Wales or Northern Ireland. Fines compensation, damages or penalties awarded against the policyholder.

Conditions to adhere to are:
- There are conditions surrounding claims such as prospects with a success rate of 51% or greater and the need to notify claims within 90 days of the incident.
- Statutory and Contractual notices have been correctly served on the Tenant by policyholder
- Each tenant and guarantor must have a satisfactory reference, from a referncing service that indicates a pass or conditional pass, where all conditional pass parameters have been met. Rental records must be maintained and up-to-date. Maintain a regualr program of inspections
- Claims for rent reported to us after 45 days (but before 90 days) of the rent becoming due will be subject to a one month's rent excess. Claims reported within 45 days are not subject to this excess.

Vulnerable Customers
The Rent Protect Insurance product is aimed at customers who are owners of properties which are let to tenants. After consideration, this market is not deemed vulnerable. Empathy and courtesy will be applied to a customer who experiences personal vulernabiliies at any given time in line with wider company procedures. As a property is a significant financial investment there could well be financial vulnerabilities at times of non-payment and this will be considered in customer interactions.

Distribution

Channel – UK insurance brokers
Method – alongside a core Insurance product

Distribution		RAG
Total maximum remuneration	£25 or 32.5% of the gross retail price (exc. IPT), whichever is the higher amount.	
Fees & charges	n/a	

Value

Underwriting performance / Conduct Risk statistics – this is a standard, established product however Addept are a fairly new entrant to this market.

Lifetime value – the benefit to a property owner is ongoing and is deemed the same over the term. The risks are consistent whether year 1, or year 10. There is proportionate lifetime value as these are annual renewable policies, lasting 12 months at a time.

Distribution chain and commission justification – this product will be distributed via regulated brokers. Each commission justification will be documented and within agreed fixed levels within tolerances acceptable to Addept and the insurer, to ensure end value to customers.

Premium		RAG
How is the price set?	Rating matrix	
Factors affecting premium	n/a, fixed	
Premium benchmarking	In-line with established market	

Outcomes data

Complaints – there are no complaints so far as this is a fairly new product from Addept.

Complaints		RAG
3 Working Days	0	
<3 Working Days, > 8 weeks	0	
> 8 weeks	0	
Total	0	
Number referred to FOS	0	
Total Redress Paid	£0	
Complaints frequency	0.0%	

Claims

Claims		RAG
Claims frequency	0.77%	
Claims acceptance %	61.19%	
Claims drop off %	14.93%	
Claims declined %	11.94%	

Review

Product literature: IPID and Policy Wording a good standard with lack of jargon. No promotional marketing materials
Market research: standard product, long-standing within the market.

Customer Experience		RAG
Auto-renewal	Yes, if selected at inception	
Online Customer Portal / Claims	Claims portal online	
Vulnerable Customer consideration	Deemed not a product targeted to those with vulnerable characteristic. Any customer vulnerabilities to be treated with respect, accordingly	

Statement

Addept have reviewed this product in-line with PROD and Customer Duty initiatives and doing the right thing overall. It is a new product, so wider previous experience deems this offering as fair value and fit for purpose.

Date: *Apr 2026*