

## Product Fair Value Assessment

Product Type	Gallagher General Aviation: <ul style="list-style-type: none"> <li>Rotor wing</li> <li>Fixed wing</li> <li>Spirit of Aviation</li> <li>Gliders</li> <li>Premises, Hangerkeepers &amp; Products and Grounding Legal Liability (PHP)</li> <li>Gyrocopter</li> <li>Deductible</li> </ul>
Date Fair Value Assessment Completed	October 2024

### Introduction

Gallagher Specialty has completed Fair Value Assessment work on those products it manufactures, or where Gallagher Specialty has agreed to do so with an insurer partner where we are a co-manufacturer.

The summary output of these assessments may be based on groupings of products which may be similar in features and are intended to be distributed to similar target markets. In the case of this product, this outcome summary represents the work we have done to assess the value of our General Aviation products sold to clients who have insurance needs relating to loss or damage to aircraft or aircraft spares and third party damage or bodily injury including passengers, cargo, mail and baggage for Rotor Wing, Fixed Wing, Spirit of Aviation, Gliders, PHP, and Gyrocopters. Additionally, cover for aircraft hull deductible is also offered.

If any distributor would like further information about the specific work carried out, please do not hesitate to contact us.

### Product Information

This is a specialised Aviation product covering loss or damage to aircraft or aircraft spares and third party damage or bodily injury including passengers, cargo, mail and baggage for Rotor Wing, Fixed Wing, Spirit of Aviation, Gliders, PHP, and Gyrocopters. Additionally, this product also covers insurance for aircraft hull deductible. This product is not suitable for pilots requiring loss of license cover, or for owners or operators of drones as these are not considered to be aircrafts.

Additionally, this product, as standard, is not suitable for anyone operating in the following territories:

- Algeria, Burundi, Cabinda, Central African Republic, Congo, Democratic Republic of Congo, Eritrea, Ethiopia, Ivory Coast, Liberia, Mauritania, Nigeria, Somalia, The Republic of Sudan, South Sudan;
- Colombia, Ecuador, Peru;
- Afghanistan, Jammu & Kashmir, Myanmar, North Korea, Pakistan;
- Georgia, Nagorno-Karabakh, North Caucasian Federal District, Ukraine;
- Iran, Iraq, Libya, Syria, Yemen;
- United States of America and Canada

#### Distributor Remuneration

This product is sold either via the Gallagher Aviation office (formerly Haywards Aviation) or through a group of specialist Aviation brokers.

We have carried out an exercise to write to all UK based retail aviation brokers to obtain information about their fees, ancillary products, and any additional costs added in respect of premium finance sales and to fully understand the services they provide for these costs.

Responses have been received from the UK retail aviation brokers covering 77% of the total UK distribution of this product.

#### How Gallagher Mitigates Risks To Fair Value

Our overall approach to product governance and remuneration is designed to ensure that our remuneration reflects product features and benefits, and the services offered by Gallagher as manufacturer, as well as considering elements such as the services provided, the arrangements in the sector, any precedent and the price of the product.

#### Does This Product Type Provide Fair Value?

This product is a specialist arrangement, specifically intended to be purchased by a designated group of aircraft owners and operators.

We have reviewed the specific claims and complaints information for these product types, as well as sales data and we are comfortable that claims are being successfully made and paid for each, there are no barriers to making a complaint and the fair value of the product is indicated in the renewal retention rate data.

We carefully review the value and suitability of our products in conjunction with the Target Market Statements (TMSs) and subject to products being sold in line with the direction of our TMSs, there is no evidence that would lead us to believe that this product is not suitable for the policyholders it is intended to be distributed to.

We have shared our findings with the co-manufacturer of the product.

#### How We Assess Value

Our product governance and oversight process requires a full review of all product groups at least annually to determine if the product offers fair value to the policyholders.

These reviews consider the target market, distribution strategy, remuneration, marketing, product information, product performance, product design (including wordings), and any feedback received from distributors or policyholders. We also consider sales, claims and complaints data, and risk metrics related to these factors.

We believe that these products provide fair value to its intended target market.