



# Mitsui Sumitomo Insurance Company (Europe), Limited

## NEXI – Product Governance and Fair Value Assessment

Mitsui Sumitomo Insurance Company (Europe), Limited is committed to conducting its business in a fair, honest and open manner and we ensure that we have appropriate product oversight and governance systems and controls in place to offer products that have been assessed as providing fair value to customers that are within the appropriate Target Market.

This summary document has been created to certify that the product stated below has been assessed carefully as providing fair value to customers and to fulfil our responsibilities under fair value regulations. This document will be reviewed regularly to ensure that the product continues to provide fair value to our customers.

This document should not be used as a sales or marketing tool. The client facing broker must act in the best interests of each customer individually when deciding whether to recommend a particular policy or not.

<b>Product/Version Number</b>	"NEXI" New Trade Credit Insurance ("NTCI") – NTCIv2 05/17
<b>Date of Review</b>	18 August 2023
<b>Product Type</b>	Our NTCI product is designed to meet the demands and needs of corporate entities wishing to insure trade credit risks in respect of contracts relating to the sale of goods as part of their business.
<b>Manufacturer &amp;/or Co-Manufacturer</b>	Mitsui Sumitomo Insurance Company (Europe), Limited Capacity provider: Nippon Export and Investment Insurance
<b>Territorial Limits</b>	United Kingdom
<b>Target Market</b>	Japanese owned firms domiciled in the United Kingdom – this product is intended for corporate customers only (small, medium or large size companies) and where sufficient cover is not available in the open market.
<b>Outside Target Market</b>	Non Japanese firms (of any size), micro-entities, sole traders and individuals.
<b>Characteristics of the product aimed at meeting the needs of the Target Market</b>	<p>NEXI stands for Nippon Export and Investment Insurance, and is a Japanese government owned insurance company which aims to support overseas activities of Japanese firms. For the NTCI product, NEXI provides full trade credit insurance coverage, and Mitsui Sumitomo Insurance Company (Europe), Limited acts as a fronting company in the United Kingdom.</p> <p>This is a policy which can cover the customer's trade credit risk for buyers where sufficient cover is unavailable in the open market. NTCI does not intend to compete with private insurers; instead it complements the credit insurance market by providing cover that the private market is unable to offer.</p> <p>A standard basis of cover is provided and full details of policy coverage, terms, conditions and exclusions are set out in the policy document. A copy of the full policy wording and a summary of cover are available on request.</p>
<b>Distribution Strategy</b>	This product is intended for distribution via FCA authorised brokers only. Brokers must be approved by us and must enter into our standard format TOBA.
<b>Commission</b>	Commission is payable at a standard rate of 15% and is non-negotiable.
<b>Fair Value Review</b>	Our product governance process requires a full review of all products regularly to determine if the product offers fair value to the end customer. These reviews consider the Target Market, distribution strategy, commission, product design, product information and product performance, together with any feedback from



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	<p>distributors and customers. We also monitor conversion rates, renewal retention, cancellations, loss ratios, claims and complaints as part of this review process.</p> <p>We are satisfied that the product currently offers fair value to its intended Target Market subject to distributors:</p> <ul style="list-style-type: none"><li>• ensuring that sufficient coverage is unavailable elsewhere in the credit insurance market, and</li><li>• ensuring that the scope of policy coverage meets the individual needs and demands of the customer, and</li><li>• not charging customers additional amounts over and above the gross premium agreed by us (plus tax as appropriate), and</li><li>• ensuring that no duplication of cover exists having due regard to any other insurances held or non-insurance arrangements made by the client, and to any other products or services sold alongside our policy.</li></ul>
<b>Customers for whom the product is not expected to provide fair value</b>	This product would not be expected to provide fair value to customers that fall outside the Target Market.

### Providing Feedback

We welcome any feedback from our distributors on the performance of our products. All feedback will be considered in our next product review.

If you have any feedback please let us know via your usual contact at MSIEU.