

CAPULUS

Motor Fleet – Distributor Product Guide

Notes

- This guide is for intermediary / broker reference only.
- The guide does not contain full terms and conditions of the contract of insurance.
- Full terms and conditions are located within the policy documents and policy wording which are available on request.

Product Design and Development

Capulus Ltd is a niche insurance underwriting agency specialising in Motor Fleet, combining vastly experienced and skilled underwriters with A+ rated insurance capacity provided by our partners at Alwyn Insurance Company Ltd.

Motor Fleet is a Commercial Lines General Insurance product designed for businesses which are required to have motor insurance in order to comply with the Road Traffic Act.

The Product Design provides value by allowing policyholders to choose between varying levels of cover, including Comprehensive, Third Party Fire & Theft, Third Party Only and Laid Up Fire & Theft cover. Policyholders can also choose from varying levels of excess.

Target Market

Capulus target trades as follows:

- Self Drive and Credit Hire
- Haulage (including heavy and limited hazardous carriage)
- Couriers
- Waste and Skip Hirers
- Car Transporters and Trade Plates
- Chauffeurs
- Own Goods risks
- Passenger Transport (including Bus, Coach and Minibus)

Capulus target characteristics as follows:

- At least two years experience
- Low frequency
- 10 vehicles or £10,000 premium excluding insurance premium tax
- Young drivers by exception
- Satisfactory credit score

Whilst the above trades and characteristics are target for Capulus, we will look at other risks in associated trades or which do not meet all the characteristics criteria.

The Capulus motor fleet product is not targeted towards the following trades and characteristics:

- Motor Trade risks – sales & service
- Taxi fleets
- Vehicles involved in the carriage of UN Class 1 (explosive) and UN Class 7 (radioactive) goods or other high consequence dangerous goods
- Motor sports
- Businesses which are in the process of winding up
- New ventures
- Fleets with large numbers of young and/or inexperienced drivers
- Fleets of fewer than 4 vehicles

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The Capulus Motor Fleet product is not suitable for the following:

- A person (or persons) acting for purposes outside their trade, business or profession
- Businesses requesting insurance for vehicles not used in connection with their trade, business or profession
- Non-UK registered vehicles
- Fleets requiring regular cover in territories outside the United Kingdom, any country which is a member of the Europe Union, or European Economic Area

Capulus would not expect the Motor Fleet product to provide fair value to:

- Any person (or persons) requiring insurance for vehicles not used in connection with their trade, business or profession
- Businesses whose vehicles are used extensively outside the United Kingdom, any country which is a member of the European Union, or European Economic Area

Potential Conflicts

Policyholders could experience conflict with the policy if they require multiple changes of cover within a short period of time on a single vehicle during any one period of insurance as Capulus impose a minimum temporary vehicle charge which could result in a higher premium being charged for less cover.

Policyholders with large fluctuations of vehicle numbers throughout the policy period (exceeding 20% of inception/renewal numbers) will need to declare the planned fluctuation prior to inception/renewal with Capulus. Failure to do so could result in additional terms or restrictions or in exceptional cases a re-rating of the policy premium.

Product Value Assessment

Capulus' product value assessment is based on the premium we charge for the cover and the services we provide. We take a wide range of factors into consideration including (but not limited to) historical and predicted claims frequencies, incurred and projected claims costs, changes and anticipated cost impacts in driver availability and wider challenges faced by the industry as well as the impact on inflation caused by significant world events.

We also consider how the premium is affected by the commission we pay the placing intermediary or broker for the activities they undertake on our behalf. Any additional charges within the distribution change (which we may or may not be aware of) may potentially erode the intended value of our product.

Distribution Strategy

The Capulus Motor Fleet product has been designed for distribution by insurance intermediaries or brokers that hold commercial agency facilities with us either on a wholesale or retail basis. They are required to have the appropriate level of understanding about the risks and exposures faced by their customers in the operation of their fleets.

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