

## Target Market Statement

This document was prepared by ERGO UK Specialty Limited ('ERGO UK') in accordance with regulatory responsibilities under PROD 4.2 as the manufacturer of this product.

The purpose of this Target Market Statement is to provide clear information about who ERGO's products are designed for, who they are not intended to support and how ERGO expects the product should be distributed.

Carrier name	Great Lakes Insurance UK Ltd
Product name	MXU Rights of Light
Date of most recent Target Market Statement	September 2023
Product Review and Target Market Assessment frequency <sup>1</sup>	Every 12 months

Product summary
This is a commercial insurance product designed for customers who are undertaking a development and wish to insure against potential financial losses that could arise in the event of an affected party asserting there has been an infringement of their right of light.
Who is the target market of this product?
This product is designed for commercial customers who are property owners and/or developers who: <ul style="list-style-type: none"><li>• Are undertaking an individual property development in the United Kingdom (England, Scotland, Wales, Northern Ireland), the Isle of Man or the Channel Islands and are looking to insure that development against potential financial losses that could arise if a third party alleges the development infringes their rights of light;</li></ul>
Who is the product not designed to support?
This product is not designed for customers: <ul style="list-style-type: none"><li>• Who are seeking insurance for a Property situated outside the United Kingdom, the Isle of Man or the Channel Islands;</li><li>• Who are subject to any economic, financial or trade sanctions.</li></ul>

<sup>1</sup> In line with PROD 4.2.34R and PROD 4.2.34B R, ERGO will undertake a review every 12 months or more frequently where the potential risk associated with the product makes it appropriate to do so. ERGO will apply a risk-based approach to product governance and continuously review products to ensure ongoing fair value for customers in the target market.

**Does this product include optional covers?**

This is a specific product targeted at covering losses associated with third parties alleging infringement of their rights of light. There are no additional optional sections of cover.

**Can this product be sold without advice?**

This product should be sold with advice from an insurance intermediary.

**How should this product be distributed?**

The product will be distributed via one specific coverholder, who specialises in these risks, and who will be accessed by selected specialist wholesale and retail insurance brokers, acting for target market customers.

The product is quite complex in terms of the structure of cover that is required, the losses that could arise and appropriate terms and strategies to manage that risk. The target market customers and brokers are familiar with the product and individual risks are considered and presented following extensive due diligence by the client and their own legal / expert teams. Substantive discussions then typically take place between the client, broker and coverholder regarding the nature of the risk, the cover required and how best to structure any policy.

The distribution strategy is considered appropriate for the target market, with customers able to purchase the product through a distributor of their choice.

**Other information which may be relevant to distributors**

This document should be read in conjunction with the policy wording and IPID or summary document.