

DISTRIBUTOR PRODUCT GUIDE

Complete Truck

- This guide is for intermediary reference only.
- It doesn't contain the full terms and conditions of the contract of insurance.
- You can find more information about the product within our policy overview; which is available to download from [QuoteSME](#).
- Full terms and conditions are within the policy documents; which are also available to download on [QuoteSME](#) however, you can request to have a copy of these.

Product design

We've provided commercial motor solutions for over 50 years and work with industry experts such as Thatcham, the Association of British Insurers (ABI) and the Motor Insurers' Bureau (MIB), in addition to our global partners across the Allianz Group. We continually draw upon this experience and insight, as well as customer research to ensure our products continue to add value and meet the evolving needs of our fleet customers.

Complete Truck is a digitally traded Commercial Lines General Insurance product designed for sole traders or small companies which need motor insurance protection in order to comply with the Road Traffic Act. It also helps them to manage their vehicles more safely and efficiently.

The product design provides value as it allows the customer to buy the cover that meets their specific needs, such as fully comprehensive, third party, fire and theft or third party only. Vehicles are insured on individual policies via a 'no claims discount' rating.

Target market

Our target market for Complete Truck includes:

- sole traders or small companies which own or lease single heavy commercial vehicles, used in connection with their trade or profession
- sole traders or small companies with up to 6 heavy commercial vehicles, placed via individual policies
- commercial vehicles used for hire and reward or the carriage of own goods, with a GVW over 7.5T up to a maximum of 44T
- experienced drivers between 25 and 70 years of age who have held the appropriate licence for a minimum of 12 months and have been a resident in the UK for at least three years
- businesses looking to build long-term mutually beneficial relationships.

We're able to provide insurance solutions for a broad range of businesses via our other Commercial Motor products and are happy to consider those that sit outside of these parameters, however this product is **not** targeted towards:

- cars
- commercial vehicles with a GVW less than 7.5T
- risks which carry hazardous goods
- vehicles being used to visit hazardous locations such as, but not limited to, power stations, military premises and airfields
- privately owned vehicles
- frequent vehicle use outside of the UK
- motor traders
- self-drive hire operators

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- motor sports
- sharing economy businesses
- non-UK registered vehicles
- motor bikes, mopeds, quad bikes and three wheeled vehicles.

This product isn't suitable for:

- a person acting for purposes outside of their trade, business or profession
- non-going concerns or the retired
- businesses based in Guernsey, Jersey and the Isle of Man
- businesses wanting insurance for vehicles which aren't used in connection with their trade or profession
- businesses with more than 6 heavy commercial vehicles to insure.

We wouldn't expect this product to provide fair value to:

- businesses whose vehicles are used extensively outside of the UK and European Economic Area.

Potential conflicts

The policyholder could be conflicted if they wish to make lots of small claims, just above the excess limit, as this may impact the terms offered at subsequent renewals.

Product value assessment

Our September 2023 assessment has concluded that our Complete Truck Product, including its charging and distribution structure, is compatible with the needs, objectives and characteristics of the target market and provides fair value.

Our product value assessment is based on the premium we charge for the cover and the services we provide. In addition to the identified needs, characteristics (including vulnerabilities) and objectives of the target market we take a wide range of other factors into consideration, such as historical and expected claims frequencies, incurred and projected claims costs, plus scenario analysis along with customer feedback.

We also consider how the intended value of the product may be affected by its distribution with the conclusion of our product value assessment based upon our distribution strategy as set out below and that:

- The level of commission is in line with market proximate commission levels and is not being increased from what we have agreed with the placing distributor for the policy. Please refer to your commission schedule and traded commissions for your own distribution / value assessment purposes
- Where distributors operate on a fee-in-lieu (of commission) basis, such fees are expected to be proportionately lower than the equivalent commission would be for that same policy

- Administration fees or any other additional fees are only levied where the commission income is not sufficient to cover any of those respective costs and is commensurate with the activities undertaken
- Our product does not form part of a packaged offering
- Ancillary products (including premium finance arranged by the distributor) are only being offered where requested by the customer and when appropriate to their demands and needs. The total charge to the customer for any ancillary products, and any directly related remuneration (whether commission or fee) is commensurate with the benefit / services provided and activities undertaken
- No other additional charges or remuneration are being received in connection with the distribution of our product other than referenced above or received from us
- All and any parties in the distribution arrangement are able to confirm that their remuneration is consistent with their regulatory obligations.

Distribution strategy

Our Complete Truck product has been designed for distribution by insurance distributors that hold commercial agency facilities with us, and that perform selling, advising and arranging activities in relation to the policy directly with the customer. They must have the appropriate level of understanding of the risks and exposures faced by their customer in the operation of their fleets.

Where we've granted permission for the distribution of our products to involve another, or an additional, party in the distribution arrangement, this is restricted to be no more than one level beyond the distributor placing the business with us, and in addition to the product value assessment details outlined above applying that:

- The additional parties being relevant and appropriate in terms of their involvement, knowledge and regulatory status
- Any split or sharing of commission and/or the remuneration applicable to each party being proportionate to the activities undertaken by each party
- Administration fees not being applied by more than one party in the distribution chain.

Product Value Feedback

If you have any concerns about an Allianz Commercial product not delivering its intended value, including in relation to potential adverse customer or product value impacts from the distribution arrangement, please notify us of the relevant details by sending an email to:

regulatory_standards@allianz.co.uk

