

**Target Market Statement & Fair Value Assessment – 2025**

Hagerty International Limited has undertaken a product review in accordance with the FCA Product Governance (PROD 4) and our product governance obligations. This document is intended to provide a summary of the Target Market Statement and the outcome of our Fair Value Assessment

**Product & Manufacturer Details**

<b>Product Name:</b>	Hagerty Classic/Specialist Vehicle Insurance
<b>Class of Business:</b>	Motor Insurance
<b>Product Type:</b>	Comprehensive motor insurance for classic and specialist vehicles
<b>Manufacturer(s):</b>	Hagerty International Ltd (Lead) / Aviva Insurance Ltd

**Target Market Statement**

Hagerty's insurance product is designed for individuals who own classic, collector, or specialist vehicles.

Vehicles are used on a limited mileage basis and are not relied upon as the primary mode of transport. Many owners see their vehicle as a hobby or investment. Our cover reflects that by offering benefits such as agreed value in the event of a total loss.

Our typical customers are enthusiasts who take pride in maintaining and preserving their vehicles. Clients typically use their vehicles for leisure drives, shows, or club events, rather than everyday commuting. The cover is suitable for those who want a specialist policy that recognises the unique character and value of their vehicle, rather than a standard car insurance product.

Our policies are not intended for vehicles used as daily drivers, for commercial purposes, or for those vehicles that are outside of our definition of a classic or specialist vehicles. We do not provide cover for fleet risks or vehicles used for business delivery.


**Distribution:**

- Direct to consumer (Telephone and Web)
- Through authorised brokers

Key Features & Exclusions	
<b>Key Features:</b> Agreed value total loss settlement UK & European cover Cover for events/rallies (by referral) Spare parts and laid-up cover	<b>Significant Exclusions:</b> Daily-use vehicles Driving under influence Track/rally use without referral Mechanical/electrical breakdown Business/hire use Excess mileage beyond declared limit

Fair Value Assessment
<p><b>Assessment Date:</b> Week of 25<sup>th</sup> July 2025</p> <p>In accordance with PROD 4.2 and Consumer Duty principles, Hagerty evaluated:</p> <ul style="list-style-type: none"> <li>The alignment of product design with the needs of the identified target market</li> <li>Actual vs expected claims frequency</li> <li>Actual vs expected average claims cost</li> <li>Take-up and retention of optional value-added products</li> <li>Distribution channel charges and commission structures</li> <li>Service levels including complaints, cancellations, and call handling</li> </ul>

Conclusion
<p>The Hagerty Classic vehicle policy provides fair value to our intended market. No material detriment has been identified and benefits are proportionate to the price.</p>

<p><b>Completed by:</b></p>  <p>Robin Harman (Operations Director – SMF3) Hagerty International Ltd</p> <p>Date Completed: 25<sup>th</sup> July 2025          Date of next review: 25<sup>th</sup> July 2026</p>
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