IES Ltd – Annual Product Review and Fair Value Assessment

1. Summary

IES Ltd together with our insurance partners are co-manufacturers of travel insurance products, and we are required under the Financial Conduct Authority's and Gibraltar Financial Services Commission product Oversight and Distribution (PROD) rules and regulations to ensure travel insurance products we manufacture continue to offer fair value to customers.

Product oversight allows us to review and evaluate several measures to confirm that our products continue to offer fair value to the intended target market. Products are reviewed regularly, at intervals determined by the potential for customer harm in line with regulatory requirements; our current review cycle remains annual. In addition, we have considered the regulatory requirements for product governance under the Consumer Duty.

This document is intended to help distributors/intermediaries of IES Ltd to understand the outcome of the fair value assessment for each of the products distributed.

We recommend that intermediaries read this document in full, alongside the product literature.

2. Product Listing

Below is a list of the core travel insurance plans that are available from IES Ltd

Product	Type	Area of Cover	Distribution
AllClear Gold	Annual Multi Trip and Single Trip travel insurance including Medical, Cancellation, Baggage	UK, Europe. Worldwide	Intermediaries, Direct and Web
AllClear Gold plus	Annual Multi Trip and Single Trip travel insurance including Medical, Cancellation, Baggage and Cruise with an additional premium	UK, Europe. Worldwide	Intermediaries, Direct and Web
AllClear Gold excluding Cancellation	Annual Multi Trip and Single Trip travel insurance including Medical, Baggage	UK, Europe. Worldwide	Intermediaries, Direct and Web
AllClear Gold Plus excluding cancellation	Annual Multi Trip and Single Trip travel insurance including Medical, Baggage and Cruise with an additional premium	UK, Europe. Worldwide	Intermediaries, Direct and Web
AllClear Platinum	Annual Multi Trip and Single Trip travel insurance including Medical, Cancellation, Baggage, Cruise	UK, Europe. Worldwide	Intermediaries, Direct and Web

2.1. Add on products

All products have the following optional “Add-On” Products available at an additional cost.

Product	Description	Product Available on
Zero Excess (Excess Waiver)	Reduces the excess to zero except for medical claims arising as a result of the insured’s participation in selected hazardous activities and winter sports.	All products, except policies with an increased excess
Waiting List Cover	Offers cover if the insured is on a waiting list for medical treatment or investigation or they have a date for a procedure which if bought forward or delayed may mean they have to cancel or cut short their trip.	Single Trip policies only Excludes AllClear Gold and Gold plus excluding cancellation
Travelling Companion	Cover for up to five travelling companions insured under another insurance provider for cancellation or curtailment due to insureds’ pre-existing medical conditions that we have agreed to cover.	All products except AllClear Gold and Gold Plus excluding cancellation
Natural Disaster	Cover for travel disruption caused by natural disasters, e.g. wildfires and earthquakes.	All products
Gadget and Valuables	Extends the standard cover for valuable items or gadgets (e.g. mobile phones, tablets, cameras or hearing aids) for accidental damage, loss or theft, up to £1,000 for any one item and £2,500 in total.	All products
Winter Sports	Cover for selected winter sports.	All products
Golf	Enhanced cover for owned or hired golf equipment.	All products
Extended stay	Allows the insured to increase their 45-day trip length to 50 or 55 days per trip. Not available to customers aged 71 and over travelling to the USA, Canada, the Caribbean or Mexico.	Annual Multi trip policies only
Additional Cancellation	Offers additional cancellation cover that can be increased in increments of £1000 up to a maximum of £25,000.	All products
Cruise	Covers the insured to travel on a cruise. Included as standard on AllClear Platinum.	Optional on Gold Plus and Gold Plus excluding cancellation; not available on AllClear Gold

3. Product Target Market Segments

The AllClear family of products has been developed for over 25 years to meet the needs of travellers of all ages, including their families, travelling companions and carers, who are resident in the UK, Channel Islands or Isle of Man (and in their country of residence at the time of purchase). As a specialist medical cover provider, products have a particular focus on customers requiring cover for pre-existing medical conditions (PEMCs). In practice, most customers are aged between 60 and 79.

All products operate no upper age limits on both Single Trip (ST) and Annual Multi-Trip (AMT) policies. They cover all conditions and all destinations. Customers with a terminal prognosis of more than 6 months from their ST return date can also be offered cover as can customers undergoing chemotherapy.

Products can be purchased as a Single Trip or an Annual Multi Trip.

Single Trip Policies

These policies are designed for customers who travel once in a 12-month period.

Annual Multi Trip Policies

These policies are designed for customers who take two or more trips a year to selected countries and destinations. There is no limit on the number of trips, but total travel is limited to 183 days per policy year.

(i) AllClear Silver

This product is designed for more price-sensitive customers who require a lower-cost policy with reduced benefit levels. Key features include:

- Medical Emergency Expenses cover, including repatriation and cover for PEMCs
- Curtailment cover, including due to PEMCs

(ii) AllClear Gold, Gold Plus

These products are designed for customers who require comprehensive travel insurance protection. Key features include:

- Medical emergency expenses cover including repatriation and cover for PEMCs
- Personal property cover
- Cancellation and curtailment cover, including due to PEMCs (except on policies that specifically exclude cancellation cover).
- Variable excesses depending on product

Cruise cover is also available as an optional extension (Add On) on Gold Plus policies.

(iii) AllClear Gold, Gold Plus 'Excluding Cancellation'

These products are designed for customers who require comprehensive travel insurance protection but

do not require cancellation cover. Key features include:

- Medical emergency expenses cover including repatriation and cover for PEMCs
- Personal property cover
- Variable excesses depending on product

Cruise cover is also available as an optional extension (Add On) on Gold Plus policies.

(iv) AllClear Platinum

This product is designed for customers who require comprehensive travel insurance protection with the highest benefit levels available, including cover for cruises. Key features include:

- Unlimited medical emergency expenses cover, including repatriation and cover for PEMCs
- Cancellation and curtailment cover, including due to PEMCs
- Personal property cover
- No policy excess
- Cruise specific benefits such as Cabin Confinement, Missed Port, Itinerary Change, Unused Excursions and Cruise Interruption

All products other than Silver have a choice of optional extensions to tailor coverage to individual needs, including: excess waiver, waiting list cover, travelling companion cover, natural disaster, gadget & valuables, winter sports, golf, extended stay and additional cancellation.

While the product is designed to meet the needs of its target market, it may not be suitable for all customers. The following outlines types of customers who are not part of the intended target market and for whom the product may not deliver its intended value.

All Products

- Customers not resident in the UK, Channel Islands or Isle of Man, i.e. who have not lived there for at least six of the previous twelve months, do not hold a permanent address there or are not registered with a GP there, or who are not in their country of residence at the time of purchase.
- Customers travelling for longer than 365 days on a Single Trip policy.
- Customers requiring cover for more than 365 days in advance of their single trip departure date.
- Customers travelling for longer than 55 days on an Annual Multi-Trip policy.
- Customers who effectively want to live abroad rather than travel. Annual Multi-Trip cover is limited to 183 days' travel per policy year and is not designed as a substitute for private health insurance.
- Customers aged 71 and over who wish to travel to the USA, Canada, the Caribbean or Mexico for longer than 35 days.
- Customers with a terminal prognosis who require an Annual Multi-Trip policy.
- Customers with a terminal prognosis of less than six months on their return date of a Single Trip policy.
- Customers travelling to destinations where the Foreign, Commonwealth & Development Office (FCDO) or World Health Organisation (WHO) has advised against travel.
- Customers whose combination of age, destination, trip length and medical conditions would

result in a premium above £8,400 (including IPT).
- Customers travelling mainly to take part in an activity that is not covered by the policy.

AllClear Silver

- Customers requiring cancellation cover, higher personal property limits or optional add-on cover

AllClear Gold

- Customers intending on taking a cruise during their travel

AllClear Gold excluding Cancellation

- Customers requiring cover for cancellation or curtailment
- Customers intending on taking a cruise during their travel

AllClear Gold plus excluding Cancellation

- Customers requiring cover for cancellation or curtailment

Customers with straightforward travel insurance needs and no pre-existing medical conditions who are highly price-sensitive may find better value with a mainstream provider, although AllClear does not refuse to serve them.

4. Annual Product Review

IES Ltd has an established product governance process to oversee the design, approval, and review of all our products in line with the requirements of current regulations.

Product developments and changes to existing products are taken through a formal product approval process which is designed to:

- Identify the target market and its needs.
- Review policy wording and customer facing documentation to ensure it is clear, fair, and not misleading.
- Consider the needs of any vulnerable customers.
- Review pricing and distribution channels
- Monitor post-sales performance.
- Review legal or compliance requirements.

Our reviews include management information to understand product performance, customer satisfaction and market trends. The products are also reviewed to ensure that they continue to meet the needs of the target markets. The most recent review was completed in October 2026 and covered the period 1 April 2025 to 31 March 2026.

Changes made to the products during the review period included:

- Customers aged 71 and over travelling to the USA, Canada, the Caribbean or Mexico are limited to a maximum trip duration of 35 days and cannot buy Extended Stay cover for these destinations.
- Annual Multi-Trip policies are limited to a maximum of 183 days' travel per policy year (the number of trips remains unlimited).
- The policy wording has been rewritten in Plain English. For example, "Curtailment" is now "Cutting Short Your Trip" and "Excess Waiver" is now "Zero Excess". Earlier addendum changes have been incorporated into the wording.
- The residency requirement has been clarified: customers must have been resident in the UK, Channel Islands or Isle of Man for at least six of the previous twelve months.
- Renewal premium caps were introduced in October 2025 to limit year-on-year increases for renewing customers.

5. Fair Value Assessment

IES Ltd as co-product manufacturer with our underwriters have concluded a fair value assessment, using key performance metrics to see if any remedial actions are required and to make sure the product remains suitable for customers in the identified target market.

When assessing value, a range of data is used, our findings are summarised in the table below:

Assessment Area	Key Indicators and Measures	Summary Findings and Actions
Product Performance	Target market review Claims performance (loss ratio) Claims frequency Cancellations Claims and Service complaints	Our assessment of these measures, including claims performance, claims acceptance and complaints data, confirmed that the products listed continue to meet the needs of the target market. Performance was also considered against the FCA's General Insurance Value Measures data and compared favourably.
Pricing	Retention Rate Commission Levels Pricing strategy Competitor Analysis Remuneration Customer Usage	Our assessment of these measures, including commission and remuneration levels across the distribution chain, confirmed that pricing remains appropriate relative to the cover and services provided and that the products continue to offer fair value.
Service Delivery	Customer Survey Feedback Trustpilot data	Trustpilot score of 4.8 (97% of 41,837 reviews rated 4 or 5

	Intermediary Feedback Operational Service Levels Complaints Analysis Claims Service Data	stars). In our 2026 survey, 89% of customers rated their experience 4 or 5 stars and 94% would recommend AllClear. Service levels are monitored weekly and monthly against our KPIs.
Distribution	Review of distribution channels Review of sales process Commission levels	Our assessment of these measures confirmed that the distribution channels remain appropriate for the target market. Broker feedback raised no concerns that the products fail to meet customer needs or provide fair value, and commission levels were found to be reasonable relative to the services performed.
Consumer Duty	Vulnerable customers Marketing Materials, customer communications and policy documentation clarity Consumer Duty Outcome Monitoring	Policy wording has been rewritten in Plain English, and 82% of surveyed customers found the documentation easy to understand. Enhanced recording and monitoring of outcomes for customers with characteristics of vulnerability is being implemented by the end of 2026.
Product Governance	Previous annual product review Product development and enhancements in scope Maintenance of changes approval process Product oversight and governance policy	The review was completed in line with our product oversight and governance policy, and its recommendations are being taken forward. AllClear Gold, Gold+ and Platinum hold Which? Best Buy status, and Gold+ and Platinum are Defaqto 5-star rated.

It is concluded that upon the completion of our assessments we can confirm that:

- The products remain consistent with the overall needs of the identified target market.
- The intended distribution channels remain appropriate for the products.
- The products continue to provide fair value to the customers in the target market.

If, as an intermediary of IES Ltd, you consider one of our products may be failing to meet customers' needs or is potentially unclear you can help us by providing feedback as we continue to monitor performance.

6. Pricing and Commissions

Our pricing model for the AllClear Travel Insurance products is complex and is driven by many factors, including policy type and cover tier, benefit limits and excesses, destination and trip duration, traveller details including ages and PEMCs, optional covers, the insurer's risk premium, distribution channel, and medical screening, administration and servicing costs.

Renewing customers should not be disadvantaged compared with new customers. Renewal premiums are calculated separately from new business premiums, based on factors such as claims experience, medical inflation and emerging risks, and are subject to renewal caps (introduced in October 2025) that limit year-on-year increases. Because new business prices respond to market conditions at the time of quoting, a like-for-like new business quote may occasionally differ from the renewal price. We monitor the relationship between new business and renewal pricing regularly to ensure fairness.

Our intermediaries are remunerated on a fixed commission basis, expressed as a percentage of the total sales value (excluding tax). Commission rates cannot be manipulated by intermediaries. Any arrangement fee or other charge imposed by an intermediary in addition to the commission paid by IES Ltd is determined and imposed solely by that intermediary and is not a charge imposed by IES Ltd. The intermediary is responsible for ensuring that any such fee or charge does not adversely affect the intended value of the product and for determining whether it must conduct its own fair value assessment in respect of that fee or charge. The intermediary must disclose to IES Ltd the nature and amount of all such fees and charges, together with the outcome of any related fair value assessment.

7. Additional Product Literature

This document is intended to provide an indicative summary of the target market for these products and is not a summary of coverage. Please refer to separate policy documentation for full details of the coverage provided by each product

8. Version Control:

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9. Revisions to Policy:

BIBA Version 10: October 2026 – Updated following the 2026 Annual Product Review and Fair Value Assessment (target market and exclusions, add-on availability, review frequency, FVA findings and renewal pricing wording)
BIBA Version 9: July 2025 Review & Update to Pricing & Commission wording
BIBA Version 8: December 2024 – Updated for clarity and inclusion of updated product review and FVA assessment
BIBA Version 7: November 2023 – Updated Customer Survey BiBA Version 5: August 2023
BIBA Version 3: May 2022

BIBA Version 2: October 2021
BIBA Version 1: February 2020 Introduction of policy