

Film and Television

→ Distributor Guide
September 2024

This guide is for intermediary reference only:

It does not contain the full terms and conditions of the contract of insurance. Full terms and conditions are within the policy documents; you can request to have a copy of these.

Background

Markel International's Film & Television policy provides cover for producers of a large number of programmes for TV distribution. Our clients are film producers making productions for TV or cinema, filming live concerts, stage shows, music videos or have acquired content to form part of a distribution library.

Product design

Film & Television insurance is typically designed to provide an indemnity for liability to pay damages or claimants' costs and expenses together with defence costs and expenses as a consequence of various potential circumstances such as claims of defamation, accidental breach of confidentiality or accidental breach of copyright.

Film & Television policies can be underwritten on two bases – an annual basis with productions attaching throughout the policy period or on an individual basis for on specific production.

The specific production cover is provided on a 'claims made' basis, where the policy is designed to respond to claims that are made during the period of insurance, regardless of when the wrongful act that caused the claim took place (subject to any retroactive date that may apply). In contrast, our annual policies provide cover for the policy period and can include an extended reporting period up to a maximum of 60 months.

Limits apply either on an any one claim basis or in the aggregate for the period of insurance, dependent upon the type of exposure.

Target market

The target market for our Film & Television product are commercial customers who meet the following criteria:

- ⊞ Production companies producing commercials, cinematic films, programmes for television or other medium
- ⊞ Film distributors
- ⊞ Content libraries
- ⊞ Pre-recorded live events for broadcast or DVD
- ⊞ Drama, light entertainment, lifestyle and factual documentary programmes

We are able to provide insurance solutions for a broad range of businesses and are happy to consider those that sit outside of these parameters, however this product is not suitable for:

- ⊗ Individuals
- ⊗ Insurers
- ⊗ Reinsurers

Scope of cover

Markel International's Film & Television policies can be arranged with a number of different extensions to allow other types of business protection to be arranged under the same policy.

We tailor all aspects of each policy specifically to the individual risk, ensuring that you have the right cover for your client's exact needs.

We can offer cover for:

- ⊗ Defamation / libel / slander
- ⊗ Unintentional breach of confidentiality
- ⊗ Unintentional breach of copyright
- ⊗ Misuse of information
- ⊗ Negligent acts / errors / omissions / misstatements
- ⊗ Merchandising licensing
- ⊗ Third parties that have a financial interest in the production
- ⊗ Dishonesty of employees
- ⊗ Claims against parties having a financial interest
- ⊗ Defence costs
- ⊗ Extended reporting periods

Product value assessment

Our product value assessment includes the cost to Markel International of providing the product, through the distribution channel which the product is sold, and a review of the product performance and the type and quality of services provided to the end customer.

We take into account the nature of the product and its cover, benefits and any limitations, the price paid by the end customer, together with any services provided. A wide range of factors are considered including historical and expected claims frequencies, declinatures, incurred and projected claims costs, plus scenario analysis including likely economic and climatic trends, along with customer feedback and complaints and any other relevant information.

We also consider how the premium is affected by the commission we pay the placing intermediary together with any fees that we may pay for additional services received.

This also applies where an add-on product (including premium finance) not manufactured by us is sold alongside, or forms a package with the distribution of our products. These may affect the value to the end customer and will need to be taken into your own consideration of value and must be proportionate to the benefits, cost and service provided.

This product may not be suitable for policyholders/risks that fall outside the target market. Please refer to the target market noted above.

Our assessment is that the product is overall suitable for the target market. There are exclusions and indemnity limits that apply and when distributing the product you need to ensure that the needs of individual policyholders are considered and that the policyholder can make an informed decision on whether the product is suitable for them and where applicable discuss individual policyholder requirements that may be outside of the standard exclusions or limits with underwriters.

We have grouped products together for the assessment where they are intended to deliver a similar outcome and the target markets are consistent. If any of our fair value assessments result in an outcome where we believe the product is not offering fair value to the end customers, we will engage with the relevant distribution channels to agree appropriate actions.

Distributor / partner remuneration and costs

- Commission levels agreed prior to placement
- Fee for Service arrangements should they be entered into between both parties
- No additional costs or fees applied, except for local taxes (where applicable)
- Any additional charges within the distribution chain may potentially erode the intended value of our product

Distribution strategy

Our Film & Television insurance product has been designed for distribution by insurance intermediaries / partners that hold commercial agency facilities with us. They must have the appropriate level of understanding about the risks and exposures faced by their customers in the operation of their business.

The distribution strategy is considered appropriate for the target market with customers having the option to purchase these products through a distributor of their choice. These products are considered suitable for advised and non-advised sales, where seen and agreed appropriate by suitably skilled persons.

Conflicts of interest

On the basis that we:

- Have not delegated any claims handling duties to you
- Have not delegated any underwriting authority to you
- Are not remunerating you beyond the flat rate commission or fee for services provided, agreed between parties

We confirm that the product is free from any innate conflict of interest that would compromise you from putting customers interests first.

Where a commercial agreement exists which contravenes any of the above, we confirm that the potential for any conflicts of interest will have been appropriately mitigated pre-agreement.

Distributors / partners responsibilities

You are reminded to assess fair value to your customers where you charge additional fees or where commission rebating takes place. Distributors / Partners should consider whether their customers who are purchasing a Markel International product are being charged any additional fees that are not funded by the premium paid. If customers are being charged additional fees by anyone in the distribution chain, this could impact the outcome of the fair value assessment.

If a distributor / partner identifies that a product is not providing fair value and this has been caused by the distributor's / partner's distribution arrangements, including its remuneration arrangements, the distributor / partner must immediately inform Markel International for appropriate action to be determined.

Markel International are satisfied that the product offers fair value to its intended Target Market subject to distributors / partners:

- Not charging customers additional amounts over and above the gross premium quoted by us without first determining that they do not have a detrimental effect on the value of the product.
- Ensuring that no duplicate cover exists or is caused by an add-on where that cover is already provided by the policy.

Providing feedback

We welcome any feedback from our distributors on the performance of our products. All feedback will be considered in our next product review. Also, if you believe that your staff would benefit from additional training on this product, please contact your representative at Markel International.

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Markel Insurance SE, Munich, Germany. The UK branch of Markel Insurance SE is a duly established branch with its business address at 20 Fenchurch Street, London EC3M 3AZ, United Kingdom. Markel Insurance SE is registered in Germany with the commercial register of the local court of Munich under company number HRB 233618 with its registered office at Sophienstrasse 26, 80333 Munich, Germany. Markel Insurance SE is authorised and regulated by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht). The UK branch of Markel Insurance SE is also supervised by the Financial Conduct Authority and the Prudential Regulation Authority.