# **Multi-Occupancy Buildings Insurance Residential Leaseholder Information** Version: December 2023

Drafting notes: these are shown in yellow highlight. Areas for insertion/completion are shown in green highlight. Drafting notes should be removed before issuing this document. A separate document is required for each leaseholder/policy stakeholder.

The following information is provided to you as required by Financial Conduct Authority (FCA). Please note that where ‘Insured’ is stated in this document, it refers to the named person on the policy (the ‘Policyholder’) who has the direct contractual relationship with us.

1. **A summary of the features of the policy, including main benefits, coverage and exclusions of the policy, duration and insured sum.**

Please refer to [insert name of document]

1. **The policy premium**

[Choose one of the following]

[If a flat] The premium of the building is £[insert amount] and the premium of the flat alone is £[insert amount]

or

[If breakdown not available at individual flat level]The premium of the building is £[insert amount]

or

[If not able to identify a specific amount of premium at building level] The Insurer has not been able to provide a premium at building level for this policy. An estimate of the premium for the building is £[insert amount]. This has been estimated by [insert either the insurer or ourselves].

All figures include Insurance Premium Tax

1. **Remuneration Disclosure**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Policy | **Type of Remuneration** – please see definitions below | **How much do we receive** – based on the amount shown in 2) | **Who it is shared with** [delete as applicable and add further rows where necessary] | **The amount that is shared** [if this is estimated, this should be clearly stated along with the reason why an exact figure cannot be stated] |
|  | Commission | £X | Insured/Insured’s Company Secretary/ IAR [insert name]/PIP [insert name]/Property Managing Agent [insert name]/Introducer [insert name] | £X |
|  | Administration Fee | £X |  | £X |
|  | Arranging Instalments | £X |  | £X |
|  | Add additional lines as required from table below. |  |  |  |
| Total |  | £X |  | £X |

[Those remuneration types that are not applicable can be deleted from the table below]

|  |  |
| --- | --- |
| **Remuneration Type** | **Remuneration Description** |
| **Commission** | We receive a commission payment from the insurer for arranging and ongoing management of the insurance policy. This amount is normally a percentage of the total annual premium paid for the policy (excluding insurance premium tax (IPT)). |
| **Administration Fee** | When a policy is taken out and an Administration Fee has been applied by us this will be disclosed in the Insured’s documentation alongside details of the cost of the insurance. |
| **Arranging Instalments** | Arranging Instalments – Where payment of the policy is arranged on an instalment basis through a premium finance provider, for the processing and arrangement of the instalment plan we receive, from the Instalment Provider, a percentage of the interest charged by them which is based on the total annual premium (inclusive of Insurance Premium Tax (IPT)) paid. |
| **Fee in Lieu of Commission (FIL)** | We charge a fee for our service in place of the commission we would have received from the Insurer with whom the insurance is placed. Whenever this applies the fee charged will be agreed with the Insured in advance and will be detailed in any quotation we provide to the Insured. |
| **Insurance Service Brokerage (ISB)** | Where a FIL is agreed with you, we will also receive an ISB from Insurers to fund administrative work that we undertake on their behalf (calculated as a small percentage of your premium and paid by insurers). |
| **Profit Share OR Profit/Growth OR Over-Rider** | The insurer will provide us with additional income in respect of the insurance policy because the overall account for this type of insurance has performed well. This will normally be calculated as a small percentage of our whole account which, depending on the profitability of the insurance policy, can be calculated as a percentage of the total annual premium paid (excluding Insurance Premium Tax (IPT)) |
| **Fee for Services** | We receive a flat fee from the insurer for services that we carry out on their behalf in respect of the strategic management of their account. |
| **Work Transfer** | The insurer will provide us with additional income in respect of the insurance policy for additional work which we undertake on their behalf, such as additional processing, production of policy documentation, management and development of a specific facility. This is normally calculated as a percentage of the premium paid (excluding Insurance Premium Tax (IPT)). |
| **Referral Payments** | During the duration of the policy we may have cause to liaise with a company to assist with a claim in connection with the insurance policy. Where this occurs, we will receive a small flat fee from that company which may or may not be the insurer of this policy. |

1. **Placement and shopping around information**

|  |  |  |
| --- | --- | --- |
| Policy | How many quotes did we get from the current/proposed insurer? | How many quotes did we get from other insurers? |
| [insert name of policy] | [insert number of quotes] | [insert number of quotes] |

The policy taken out was consistent with the interest of both the Insured (the customer) and the leaseholders holding a lease with the customer [*insert reason here e.g. as it is placed with a reputable insurer who in our experience has good claims handling service, the cover includes alternative accommodation for leaseholders and loss of rent cover for the Insured].*

1. **Information about us and who we are acting on behalf of**

It is important that we clearly identify areas where conflicts of interest might arise so that you can be satisfied we have taken steps to manage these. For example, we may operate an insurance scheme where we have authority to act as the insurer in setting the premium or handling claims. In such circumstances, we are legally the agent of the insurer for some aspects of the transaction and your agent for others.

|  |  |  |  |
| --- | --- | --- | --- |
| Policy | Sourcing the policy – we act on behalf of | Placing the policy – we act on behalf of: | Claims Activity – we act on behalf of |
| X | Insured/Insurer | Insured/Insurer | Insured/Insurer |

We do not have voting rights or capital representing 10% or more in any Insurer.

None of the insurers approached have voting rights or capital representing 10% or more in our firm.

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