

DISTRIBUTOR PRODUCT GUIDE

Complete Property Owner

- 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 the [policy overview](#).
- Full terms and conditions are within the policy documents, you can request to have a copy of these.

Product design

We've provided insurance solutions to small and medium sized enterprises for over 20 years and work with industry experts such as the Association of British Insurers (ABI) and the RISC Authority, 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 small business customers.

Complete Property Owner is a Commercial Lines General Insurance product designed for small and medium-sized enterprises that want Property Damage, Property Owners Liability and Commercial Legal Expenses, who are a mixture of either commercial or residential tenants. This product enables businesses to meet certain legislative insurance requirements such as those dictated by the **Employers' Liability Act**.

The product design provides value as in addition to the core covers of Property Damage, **Property Owner's Liability** and Commercial Legal Expenses it allows customers to buy optional cover that meet their specific needs of property owners. **Such as, Loss of Rent, Employer's Liability, Personal Accident and Terrorism.** It also incorporates other free benefits that some customers may need such as access to on-line risk management support, a legal health check and telephone advice lines for legal and taxation matters.

Target market

Our target market for the Complete Property Owner product is established UK based small and medium-sized enterprises, across portfolios of up to 20 properties or individual buildings, which are professionally let as private dwellings, blocks of flats or a wide range of commercial uses from shops and offices to warehouses and low fire risk manufacturing sites, requiring up to:

- £10,000,000 buildings and contents combined sum insured per premises and £750,000 per annum for loss of rent.

We're 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 targeted towards:

- non UK businesses
- buildings that are unoccupied for more than 45 consecutive days or in the course of construction/renovation

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- properties that are owner occupied
- property developers and housing associations.

Complete Property Owner is not suitable for:

- a person acting for purposes outside their trade, business or profession,
- non-going concerns or the retired
- property developers and housing associations
- properties with a buildings and contents combined sum insured exceeding £10,000,000 for any one location
- risks based outside of the United Kingdom and which require a global insurance solution.

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

- require cover for an individual flat within a block of flats
- require rent guarantee protection.

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.

Where the policyholder and/or other interested parties charge costs or receive remuneration associated with the placement, or fulfilment, of insurance or deployment of benefits afforded by this product, potential conflicts may arise with any respective duty of care and/or obligations for good customer outcomes, in particular where residential premises are covered.

Product value assessment

Our September 2022 assessment has concluded that our Complete Property Owner 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 Property Owner 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 business.

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