

Target Market & Value Statement

Landlord's Legal Expenses Annual Product

**HOME &
LEGACY**

EXPERTLY CRAFTED
INSURANCE

This document is only intended for insurance intermediaries. It must not be provided to any customer either in its original form, or any reproduction. We have designed this document to ensure our distributors understand how this product can offer value. It explains the types of customers the product has been designed and is suitable for considering their characteristics, needs and objectives, who it is not suitable for and the approach we have taken to ensure the product will continue to provide fair value for customers for the foreseeable future. It also identifies how the actions taken by distributors could impact on the overall value of the product for customers.

Our role

Following the announcement in May 2023 of Allianz's intention to close the Home & Legacy business and the subsequent ratification of that decision in June 2023, the Home & Legacy business is now in run-off. Our Landlord Products are now 'closed' products. They are no longer marketed or distributed or open for new business or renewal.

Home & Legacy are committed to fulfilling our regulatory and contractual obligations during the run-off period. We will continue to support existing policyholders with mid-term changes, cancellations and any ongoing or new claims that are made throughout the run-off period.

Home & Legacy is a co-manufacturer and a distributor of the Landlord's Legal Expenses Product described in this document. Working together with the insurer who underwrites the cover, we ensure this product offers value and is appropriate for the needs of the target market customers.

Who is the target market for the Landlord's Legal Expenses Product?

The Landlord's Legal Expenses Product is suitable for owners of residentially let property (landlords) in Great Britain, the Isle of Man and the Channel Islands.

Customers for this product may own residential investment property or may be letting their own residential home under a written residential tenancy agreement. They may have financial exposures related to the property while it is let, such as a breach of the tenancy agreement or a reliance on the rental income to cover mortgage payments. The likely insurance needs and objectives of these customers include:

- An insurance contract that can cover multiple properties insured on a single policy.
- Cover for eviction costs.
- Cover for legal costs and expenses if there are property disputes or disputes over terms of the tenancy agreement (including to pursue the recovery of rental arrears).
- Cover for costs if HM Revenue & Customs (HMRC) carry out investigations related to the let property.
- Access to a Legal Advice line for assistance with matters related to the let property and/or for general law matters in the UK.

What are the Landlord's Legal Expenses Product's key features and benefits?

Landlord's Legal Expenses
Cover up to a total of £100,000 for all claims during the annual period of insurance for:
<ul style="list-style-type: none">• Eviction costs up to £60,000 any claim
<ul style="list-style-type: none">• Legal expenses (including litigation costs) up to £60,000 any claim for:<ul style="list-style-type: none">- property disputes (trespass, damage, nuisance, rights of way)- disputes with tenants- to pursue tenants to recover unpaid rent
<ul style="list-style-type: none">• £50 per day up to £1,500 for alternative accommodation cost if possession cannot be obtained
<ul style="list-style-type: none">• Costs up to £2,500 for interview under caution by a prosecuting authority for health and safety violations
<ul style="list-style-type: none">• Health & Safety defence costs up to £60,000 any claim
<ul style="list-style-type: none">• Representation costs for HMRC Tax enquires/disputes up to £60,000 any claim
<ul style="list-style-type: none">• Identity theft costs up to £60,000 any claim
Also:
<ul style="list-style-type: none">• 24-hour legal advice line• No cancellation or adjustment fees• Option for premium finance, 12 monthly payments, 12.54 APR %(variable)

Our Insurance Product Information Document (IPID) produced in standardised format and easily understood, details the benefits, features and limitations of the cover. The Policy wording provides full details. Download the [Landlord's Legal Expenses IPID](#) or [Landlord's Legal Expenses Policy](#).

Who is the Landlord's Legal Expenses Product not suitable for?

- Property let for holidays or on a short-term basis. There must be a written residential tenancy agreement in place.
- Company lets.
- Property let to a tenant in receipt of UniversalCredit.
- Property let to a tenant in receipt of Housing Benefit unless the rent is paid directly to the landlord by the Local Authority.
- Property let to a tenant who has not passed a Tenant Reference before the start of tenancy unless equivalent cover was in force immediately before the start of our policy.
- Property where the monthly rent is more than £6,000.
- Landlords who have been declared bankrupt or insolvent within the last 3 years, or who are the subject of an individual voluntary arrangement with creditors, voluntary liquidation, a winding up or administration order, or administrative receivership proceedings.
- Landlords who do not have a UK bank account.

What is the distribution strategy for the Landlord's Legal Expenses Product?

Our Landlord Legal Expenses Product is no longer sold. It was distributed to our target market customers who were eligible for the cover in accordance with our application acceptance and/or renewal acceptance criteria.

- By insurance intermediaries/brokers (distributors) authorised by the FCA to carry out insurance distribution activities who have entered into a Terms of Business Agreement with us.
- Sales by distributors are on an advised or a non-advised sale basis. The product is relatively straightforward.
- By us directly to customers on an advised basis, or from December 2022 on a non-advised basis.

What our distributors should do to ensure Landlord's Legal Expenses Product offers fair value?

- Inform us if they have any concerns about the value of the product or receive any complaints from customers about the product.
- Ensure that customers and they have all necessary information to enable informed decisions.
- Understand and ensure that any fees/charges made and any additional products sold (including premium finance) alongside our product have not affected the value of our product for customers.

Landlord's Legal Expenses Product Value Statement

Our products are reviewed annually to determine that they offer and will continue to deliver fair value to customers. They will continue to be monitored during the run-off period in accordance our Product Oversight and Governance Framework (POG). For further information download our [Product Oversight and Governance Overview](#).

Our latest Landlord's Legal Expenses Product annual product review and fair value assessment was completed in August 2023. Our assessment considered:

- The characteristics, needs and objectives of the target market customers.
- Whether our product performed as intended, by using information held internally (e.g., operational servicing performance, claims performance, claims and complaints analysis and outcomes) and public information or information that can be obtained from external sources.
- Customers experience with the claim's processes/service.
- The overall price customers pay (including the impact of remuneration associated with distribution and the sale of additional products).

To help us to ensure that the arrangements made by our distributors remain in the best interests of customers, we asked them to confirm their current fees charged and for details about any additional products that they may offer or have sold alongside our product including retail premium finance. **We are satisfied following our review of the distribution arrangements that they do not detract from the overall value of the product.**

We have been given reassurance that based on the insurer's assessments they have no concerns in relation to the product not offering fair value for customers.

The Landlord's Legal Expenses Product was reviewed August 2023 and has been assessed as offering fair value for the target market customers who are existing policyholders including the commission and allowing for the fees that are charged by our distributors. The total benefits are proportionate to the total cost and there is significant benefit for customers who need to make a claim.