

## Distributor Product Information Document

This document provides high level information on the product, including information on the main features and exclusions, target market, fees, commissions, and distribution channel. It is designed to help Bell & Clements Ltd, and its distributors meet the FCA requirements relating to the exchange of information under the FCA’s rules in its Product Intervention and Product Governance Sourcebook (“PROD”), specifically PROD 4. **It is not a sales or marketing tool and should not be used as such.**

Requests for insurance coverage should always be placed under the most suitable product based on the Insured’s needs and in their best interests.

<b>Lead Carrier Name</b>	Great Lakes Insurance SE (“Great Lakes”)
<b>Co-Manufacturer</b>	Bell & Clements Limited (“B&C”)
<b>Product Name</b>	Lender Placed
<b>Class of Business</b>	Specialist/Single Peril
<b>Date</b>	August 2023

### Manufacturer Information

Great Lakes Insurance SE (“Great Lakes”) is a German entity, regulated by the Federal Financial Supervisory Authority of Germany (Bundesanstalt für Finanzdienstleistungsaufsicht or BaFin). Great Lakes is a wholly owned subsidiary of Münchener Rückversicherungs-Gesellschaft (the “Munich Re Group”), conducting agency and coinsurance business and providing covers for complex single risks.

Bell & Clements Ltd (“B&C”) is also part of the Munich Re Group, and a co-manufacturer of this product, utilising Great Lakes’ capacity to connect US wholesale brokers and managing general agents with Excess & Surplus lines capacity.

### Product Information

#### Coverage

The Lender Placed product provides insurance coverage for a bank's portfolio of properties that it has had to place on behalf of their Mortgagees who have not obtained their own coverage. The coverage is only for the outstanding loan balance not the full replacement cost. Once B&C has accepted to insure the bank, B&C has committed to offering coverage for any property that the bank has had to "force place" the coverage for the duration of the coverage.

There are two coverages available within the Lender Placed product. One is solely Flood, and the other is All Risks, which generally excludes Flood and Earthquake but can be extended to include these perils. The Insured is the financial services provider, not the individual who owns the property.

#### Duration of Insurance coverage provided

12 months in duration but may be extended up to 18 months if needed.

### **Renewals**

Unless mandatory, or specifically authorised, no insurance coverage will automatically or tacitly be renewed.

### **Add on Products**

There are no add on products available to purchase separately under this product.

### **Target Market**

The product is suitable for banks and financial service providers who have portfolios of properties both private and commercial on which they provide mortgages.

The product is only available for risks located in the USA.

### **Type of customers for whom the product would be unsuitable**

This product is not suitable for Homeowners or private/non-regulated lenders.

### **Any notable exclusions or circumstances where the product will not respond**

Products are written on Standard London or ISO Forms. All forms/wordings are agreed by Bell & Clements Ltd.

### **Distribution Strategy**

Distribution Strategy This product is exclusively distributed to Insureds in the USA requiring the Excess and Surplus Lines market.

B&C sub-delegates its authority granted by Great Lakes via binding authorities to authorised US and/or UK coverholders who have been subject to B&C's due diligence process and have been approved by Great Lakes. Risks can also be presented by UK/US authorised and licensed producing brokers directly to B&C.

The Coverholders work either with USA wholesale agents who in turn work with local/retail agents or directly with local/retail agents to provide the product to USA-situs Insureds who cannot obtain insurance in the admitted market and therefore must look to the non-admitted (Excess and Surplus Lines) market for coverage.

When the product is distributed via Binding Authorities, insurance coverage may be written on either a Prior Submit or Full Authority basis, depending on the individual contracts in place.

### **Product value**

B&C monitor and assess the market to ensure the product and pricing remain competitive and offer customers value. This includes reviewing commission payments and distribution methods to ensure they are appropriate.

### **Other information which may be relevant to distributors**

#### **Claims**

Claims are to be referred to the persons named in the binding authority agreement.

**Complaints**

Complaints are to be notified to [Complaints@bellandclements.co.uk](mailto:Complaints@bellandclements.co.uk)

**Distributor Remuneration**

Commission rates are agreed with each distributor separately. The amount of commission will bear a reasonable relationship to the services and value the distributor provides.

Coverholders are required to clearly state insurance documentation, service, and other fees and charges on customer documentation, and shall not breach any local laws and regulation.

**Retail Premium Finance**

B&C does not offer retail premium finance on this product.

Feedback on the performance of the product is welcomed and encouraged. Please contact [Compliance@bellandclements.co.uk](mailto:Compliance@bellandclements.co.uk) with any comments or queries you may have.