Financial & Legal Insurance Company Limited

Product Value Document

Carrier name	Financial & Legal Insurance Company Limited (F&L)
Product name	Homebuyers Costs Insurance
Product Reference No (if applicable)	N/A
Class of Business	Legal Expenses
Roles and Responsibilities	Manufacturer - Financial & Legal Insurance Company Limited

MANUFACTURER INFORMATION
Financial & Legal Insurance Company Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under firm reference number 202915. You can check this on the Financial Services Register by visiting https://register.fca.org.uk/. Registered in England under Company No. 03034220.

PRODUCT INFORMATION

This product has been subject to F&L's Product Oversight and Governance process and has been assessed as representing fair value to customers.

The review included but is not limited to:

- Claims and complaints volumes and frequencies.
- Declinature rates.
- Loss ratios.
- Average claims pay out value.

All F&L products are subject to an annual review.

Homebuyers' Costs Insurance is available to first-time buyers, experienced buyers or a buy-to-let property investor. Cover is also available for companies involved in property investment.

The product duration is up to a maximum of 180 days.

Cover is for the costs and expenses (Conveyancing Fees, Mortgage Arrangement Fees and/or Lender's Fees and Survey Fees) that have been reasonably and properly incurred by a customer and that relate to the purchase of a property and for which they are legally liable or have incurred the costs and expenses up to the date of occurrence. Cover is for either £1,660 or £2,250 depending on the cover chosen.

The policy covers the following circumstances:

- Withdrawal from the sale due to gazumping - cover is provided if the vendor withdraws from the sale due to an alternative offer being accepted which is at least £1,000 more.
- Withdrawal by the vendor for any other reasons - cover is provided if the sale does not proceed through no fault of the customer.
- Adverse legal search - costs incurred following an adverse legal search.
- Property valuation - the lenders valuation being less than 90% of the amount the customer has offered.
- Structural defects leading to a revised valuation at least 10% below the price the customer offered.
- Terminal illness - the customer is diagnosed with a terminal illness and unable to proceed.
- Redundancy – the customer is given notice of redundancy and is unable to proceed.

- Damage to property - damage occurs, and the cost is more than 10% of the value of the property.

DISTRIBUTION METHOD(S)

Product can be sold:

- By insurance brokers and other Financial Conduct Authority regulated entities.
- Advised or non-advised.
- Face to face / Online / Telephone.
- The policy must be purchased within 3 working days of instructing a solicitor or licenced conveyancer.

TARGET MARKET

The target market for this product is first-time buyers, experienced buyers or a buy-to-let property investor who wish to protect themselves against costs that may be incurred should a house purchase fall through for the reasons outlined. Cover is also available for companies involved in property investment.

TYPES OF CUSTOMER FOR WHOM THE PRODUCT WOULD BE UNSUITABLE

This product is not designed for:

- Properties situated outside England and Wales.

ANY NOTABLE EXCLUSIONS OR CIRCUMSTANCES WHERE THE PRODUCT WILL NOT RESPOND

Full policy terms and exclusions can be found in the policy wording. Notable exclusions include:

- Costs and expenses incurred before the period of insurance.
- Costs and expenses if the customer withdraws from the purchase of the property for reasons other than those insured by the policy.
- Costs and expenses if the customer was aware of a previous survey having been carried out to the property up to 90 days prior to the start of the period of insurance that might give reasonable cause for the purchase to fail.
- Costs and expenses if the customer is aware, or ought reasonably to have been aware, prior to the period of insurance, of any circumstances which could lead to a claim.
- Costs and expenses where the property is not a permanently constructed and sited domestic home.
- Any claim where the Property is situated outside the England and Wales.

OTHER INFORMATION WHICH MAY BE RELEVANT TO DISTRIBUTORS

- All distributors should assess any impact their distribution, including commissions and fees, may have on the value of the product.

Date Fair Value assessment completed	**September 2024**
Expected date of next assessment	**September 2025**