

Source Home by Source Insurance - Fair Value Document

This document has been produced by Source Insurance Limited in accordance with our regulatory responsibilities as a Product Manufacturer of General Insurance products. It is intended for use by our Distributors and not for customers or operational staff.

Product Type

The Source Home insurance product is a product which includes a five-star Defaqto rated household insurance product underwritten by a range of insurers, plus a legal expenses product provided by Lexelle. Each component part of this product has been separately assessed as providing fair value, and the product as a whole has also been assessed as providing fair value

This product is suitable for individuals living in a private residential property which they own or rent for their own domestic use.

What is the target market for this bundle?

This product is suitable for personal lines customers who want to insure their occupied residential property within the UK (which, for the purposes of this product, does not include the Channel Islands and the Isle of Man).

Who is this bundle not suitable for?

This bundle is not suitable for occupants of commercial properties and properties located in the Channel Islands, Isle of Man, or anywhere else outside of the UK.

What demands and needs are met by this bundle?

This product is designed for customers who require cover for a domestic residential home and its contents against physical loss or damage, who also wish to benefit from additional cover for a variety of legal disputes.

How do we expect this bundle to be distributed?

This product is designed for distribution by

- 1) financial intermediaries
- 2) direct customers who have been referred to Source's self-service platform

Can this bundle be sold with or without advice?

This product can be sold with or without advice depending on your preference, your individual firm permissions and your customers' requirements.

Customers buying from Source's own self-service platform will purchase the product without advice.

What are the distributor value considerations?

To ensure the customer receives fair value for this product, care must be taken to ensure no duplicate cover exists or is caused by an add-on where that cover is already provided by the policy. Add-ons and optional extras should highlight the key features and benefits along with any significant or unusual exclusions so the customer can make an informed choice. Commission, fees or charges passed on to the customer must be proportionate to the service provided and provide fair value.

Premium Finance

Premium Finance is offered under the trading style of Source Finance as an optional product. Source Finance offers the opportunity for customers to pay their insurance in 12 monthly instalments by way of a loan. The APR for this loan is broadly in line with other providers in our market, with an average customer APR of 28%. This product is suitable for customers who would prefer to have a smaller monthly payment that fits with a monthly household budget rather than paying their premium as a one-off lump sum.

A separate fair value analysis has been carried out for the premium finance product and it has been assessed as providing fair value when sold in conjunction with the Source Home product.

Scope

This document is intended to provide an indicative summary of the value offered by this product and is not a summary of coverage. Please refer to separate policy documentation for full details of the cover provided.

