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Business Money®

insurance services

Broker Presentation Pack

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Background to Scheme

Introduction

Thank you for enquiring about the Business Money Insurance Scheme, which we believe, will create an excellent product offering to your clients, which will complement your existing portfolio of services whilst generating an additional income stream for yourselves.

Why introduce Business Money Insurance Services?

Research suggests that 90% of commercial insurance clients renew their policy with their existing insurance broker. Many will retain the same year-on-year levels of cover (with index linking); they receive their annual renewal notice and post off the cheque. Insurance brokers often add little value to the client; they rarely speak or contact the customer throughout the year to add any value to their relationship. In return the broker is generating commissions on each deal dependent on the type of product required.

There has been significant consolidation in the insurance market, many small local brokerages are being taken over by the larger groups – the effect being that the customer is becoming more remote from the decision makers in the business – becoming more like a number than an important customer relationship which deserves active management and personal support.

Personal insurance is now transacted heavily over the internet; comparison sites like Gocompare.com and Confused.com are popular and widely used. Commercial insurance is not yet operating on this sort of model, mainly because the technology required to complete an online fact find for a business client in a format required by a range of insurance companies is difficult to develop – whereas motor and home policies can be quoted on the back of common factors such as postcode and driving experience etc.

Business Money Insurance Services Limited has linked up with Acorn to Oaks Financial Services Limited to offer, from 26 January 2009, a range of products from top brand insurers. We are offering best of breed products with fulfilment over the internet via our website www.bm-is.co.uk.

Acorn to Oaks Financial Services Limited is authorised and regulated by the FSA (Firm number 486131) and has Consumer Credit Act Registration (licence number 620139/1) allowing customers the option of spreading their insurance over instalments.

This pack gives more detail about how our scheme works and how you can get involved.

How we operate

Our mission is to provide clients with excellent value for money and have developed our website www.bm-is.co.uk to allow clients to input their insurance requirements directly to obtain a quotation. Clearly each business requirement is different and to allow us to come up with a policy, which is bespoke and fits their needs we have guaranteed to provide a solution within 24 hours for the majority of enquiries. There are some situations where the business is more complex or the risk deemed "high" here the broking will take longer to fulfil because of a need for a site visit or time for a presentation to made to Lloyds of London. In these situations we promise to deal with the request within five working days.

The website is supported by a team of professionally qualified insurance brokers who are available during the working week and on a Saturday morning to deal with customer queries, make site visits and broker insurance presentations ensuring the customer gets the right product to meet their needs.

We have developed a communications strategy meaning that we keep in touch with customers throughout the year. We would keep clients up to date with relevant legislation that might affect them and provide details of other insurance products, which might be of interest to them. This would be done in a subtle way (i.e. not hard sell) and any additional product sales to your clients would create extra income for you. We would provide you with a copy of any communications that go out to your customers.

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Customer stroking

Business Money is to launch a monthly business e-bulletin containing editorial and features relevant to the general SME sector. There will also be monthly updated links to specialist sector news such as wet trade, healthcare, retail, motor, property and professional services.

This attractive means of staying in contact with your existing, or potential, broking client base can become a powerful marketing and public relations tool for you. It will also carry repeated, but not over intrusive, marketing of the cut price, but high quality, insurance products available through Business Money Insurance Services and the authorised appointed introducer who sent the e-bulletin.

Every broker becoming an authorised appointed introducer will be sent a master copy each month to re-distribute the Business Money e-bulletin to their clients and business contacts as a part of their own service.

If an authorised, appointed introducer registers 50, or more, of their existing, or potential, broking clients with us we will personalise each e-bulletin, including the BMIS individual identity number, as originating from that broker and distribute them too. This arrangement will be subject to annual review dependent on the volumes of business generated.

What this means is that once a broker signs up as an authorised appointed introducer Business Money will promote his, or her, business monthly with a high quality business e-publication. We will be trying to generate commission earning leads on your behalf whilst you attend to your usual business.

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Product offering

Acorn to Oaks Financial Services Limited is a member of the COBRA network (www.cobranetwork.co.uk), the fastest growing network of commercial insurers in the UK. This gives agencies with top name insurers, giving access to a wide range of products to fulfil client's needs. It also provides the buying power of a large organisation meaning that we can access excellent premium quotes for customers. Commission generated from product sales varies dependent on the type of policy and the insurer offering it.

The table below shows the range or products available and the spread of insurers we deal with:

	Royal Sun Alliance	Zurich Commercial	Travellers	Allianz	Norwich Union	AXA	ING	Cobra Underwriting/ London Markets	Moorehouse X Broker	HSB Engineering	Oak Underwriting	Abbey Legal Protection
Commercial Combined	X	X	X	X	X	X	X	X				
Offices	X	X		X	X	X	X	X				
Shops	X	X		X	X	X	X	X				
Surgeries					X	X		X				
Restaurants				X	X	X		X				
Pubs				x	X	X	X	X				
Liability Insurance	X	X	X	x	X	X	X	X	X			
Motor Traders	X	X	X	X	X	X	X					
Fleet cover	X	X		X	X	X	X	X				
Property owners	X	X	X	X	X		X	X				
Van	X	X		X	X	X	X					
Directors & Officers Liability	X	X		X	X	X			X			
Hotel				X	x	X	X	X				
Club	X		X					X				
Personal Accident & Travel	X	X		X	X							
Engineering	X	X	X	X	x		X			X		
Business Car	X	X		x	X	X	X					
Contractors Liability	X			X	X	X	X	X	X			
Personal Home	X	X		X	X	X	X				X	
Personal Motor	X	X		X	X	X	X				X	
Legal expenses				X	X	X						X

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Income earning potential

We would like to invite you to consider becoming an introducer appointed representative of ours. For FSA compliance reasons we would not expect you to get into detailed discussions about one of your clients insurance requirements. Your involvement would merely be to introduce your client to the services we offer and leave the rest to us.

In terms of income, for every customer who is introduced to us and who takes a policy with us we would give you a share in the income we receive.

Every month we will provide you with a statement detailing which client introductions had been processed that month leading to policies being taken on. A BACs payment will be made to you monthly giving you regular additional income throughout the year.

Setting up and operating procedures

Broker set up

- To comply with FSA requirements we would need to execute an Introducer Appointed Representative (IAR) form - this details the responsibilities of all parties and the extent to which you are allowed to discuss insurance with your clients. A copy of this form will be provided upon application. A short fact find is also required for FSA compliance, this is a simple process, and we just need to verify identification and some details about your firm. Again this form will be made available upon request.
- Once the completed IAR is received back, you will be allocated your own unique introducer code. This is the code that we will use to attach your clients to thus ensuring you receive the correct referral income once a sale is made. You will be allocated a supply of referral cards that you can give to your customers; these will quote your code. It is important that the customer quotes this code when they log into the web site or if they telephone us.
- We will need to collect from you details of your bank account (account number, branch sorting code and account name) in order that we can make referral payments to you.

Operating procedures

- You will provide your clients with a referral card quoting your reference that they use in correspondence over the web or phone with us.
- Your customer inputs their insurance requirements on line or provides them over the phone and uses your unique reference number to qualify for special rates.
- Each month a report will be sent to you detailing those clients who have placed their insurance with us in the last month, or those clients who have purchased additional insurance, which is linked, to your unique reference number.
- We ask brokers to check their statements to confirm they represent a true picture of your customer's purchases during the month. Brokers are given 14 days to confirm that the statement is accurate or raise any issues, which need to be queried.
- If a client cancels a policy or makes a mid term adjustment that means that the insurance company claws back commission from us (normally paid up front on policy take up), we will have to make an adjustment to your monthly statement to net the clawback off your referral income that month.
- Income payments are made to you monthly in arrears in line with commission income received by us from insurance companies.

Next steps

For more information in the scheme or to register your interest please email introducers@bm-is.co.uk or telephone 08453 022 494.

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