

# Estate Insurance Group – Regulatory Business Plan 2014

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## Executive Summary

This should be a brief summary of the key points in:

- The regulatory business plan and
- The firms background
- As far as possible this should be in bullet points for ease of reading.

## 1. Background and Business Planning

### 1.1 Background

- Estate Insurance Group was initially founded in September 1998 to service the Property Owners Market. Over the years, however, we have developed other niche areas in response to the changing needs of retail and commercial markets.
- Today, Estate Insurance Group is an independent broker, incorporating Ian Gibson Ltd acquired on 1<sup>st</sup> December 2008, providing tailored products to a diverse group of customers, including other brokers. This business had a turnover of one million of commission income. Made up primarily of property owner business.
- The principle shareholder is Nicholas Sellick who founded the business.
- Estate Insurance Group is a majority shareholder (54%) of a general insurance broker in Dublin, Ireland, and has a seat on the board. The company is called BMCI Insurances and is regulated by the Central Bank of Ireland.
- At this stage we have no other plans to operate in other European countries.

### 1.2 Business Planning – each point below to be addressed, even though may be “not applicable”.

- The companies objectives are to continue to grow through organic growth, acquiring key employees and other general insurance businesses.

- The company's current strategic objective is to increase commission to £25 Million annual turnover.
- Philosophy and values of the business are as they have been for the past 17 years. We strive to understand your business and insurance needs whether that's individual or a business trading risk. In appointing us as your insurance broker we recognise service is the most important aspect in developing your insurance solutions for you. Integrity is the cornerstone of the business and we strive to uphold the highest standards within our industry.
- Our Future strategy is :
- To identify opportunities for the business in acquiring the right businesses to grow the income flow.
- To identify opportunities for the business in acquiring the right individuals to grow the income flow.
- To identify new insurance products and facilities to attract a customer base this will include a possible Managing General Agency.
- We continue to encourage Introducers who may wish to start selling insurance and intermediaries.

## 2. Marketing

### 2.1 Targeting Customers

- Customers are targeted through trade fairs (MIPIM), limited advertising (Charity Magazines) and referrals our intention is to do some very limited and targeted marketing to property owners using databases provided by third parties.

### 2.2 Brand Names

- The current and planned brand names used in respect of regulated insurance activates are Estate Insurance Group and Ian Gibson Ltd (this is being wound down).

### 2.3 Marketing Methods

- Customers are targeted through trade fairs (MIPIM), limited advertising (Charity Magazines) and referrals our intention is to do some very limited and targeted marketing to property owners using databases provided by third parties.

### 2.4 Marketing Strategy

- Our marketing is limited in that most of our business comes through referrals and contacts made through other property individuals including Lawyers, Managing Agents, Asset Managers.

### 2.5 Marketing Targets

- Marketing budget is approximately £10,000

### 2.6 Customer Feedback

- We have a customer feedback form that is sent to all our clients annually and the information is collated and reports printed for review periodically. Obviously we have a complaints procedure which gives us an idea of how happy our clients are, these are rare.

### 3. Products

#### 3.1 Current Products

- Products currently offered:
  - Property Owners Insurance
  - Buildings Insurance
  - Contents
  - Latent Defects
  - Legal Expenses and Indemnity
  - Rental Income -Service Charge Protection
  - Engineering Insurance
  - Unoccupied Buildings
  - Terrorism Insurance
  - Commercial Insurance
  - SME Combined
  - Combined Liability
  - Office Combined Policy
  - Public Liability Insurance
  - Professional Indemnity
  - Directors and Officers Liability
  - Additional Coverage
  - Contractor's All Risks
  - Employers Liability Insurance
  - Engineering
  - High Net-Worth Household
  - Legal Expenses
  - Legal Indemnity
  - Personal Accident & Group Travel
  - Motor Fleet
  - Credit Insurance
  - Fidelity Insurance
  - Environmental Liability
  
- And any other insurance a client requests.

#### 3.2 Historical Development of the Products

- The insurance we sell are designed by insurers and are generic to the market. The insurance we sell most of is property owners and this is about 90% of our business.

#### 3.3 Product Development Process

- No new products are being developed at the moment.

#### 3.4 New Products

- No new products are being developed in the next 6 months.

#### 3.5 Customer Needs Analysis

- ?????

### 4. Financial Projections

#### 4.1 Financial History

- Please see current financials.

#### 4.2 Financial Projections

- *Please see current financials attached.*
- *Listed in details for the next 3 years and covering key parts of the balance sheet, profit and loss, capital and liquidity ratios*
- *Cash Flow forecast for the 12 months following 14 January 2005.*
- *Key underlying assumptions*
- *All projection must be supported by the below, with any assumptions made clearly stated:*
  - *Profit and loss account*
  - *Balance sheet*
  - *Capital and liquidity ratios*
  - *Sensitivity analysis of the key drivers*
  - *Show how the firm will meet capital requirements and PI requirements*

## 5. Personnel and Internal Controls

### 5.1 Recruitment and Training Policies

- Refer to the ISO 9001 refer to Training and Competence ensure staff at all levels have the relevant experience

### 5.2 Risk Management Systems

- Internal risk in identified via weekly Broker Meetings, minures are taken from each meeting action is taken accordingly.
- Risk is identified
- How risk is identified, measured, assessed and monitored
- Provide details of any risk management system that is used

### 5.3 Non-Executive Director Policy

- If appropriate (e.g. if you have any non-executive directors and/or your annual\ income exceeds £1m) the FCA have indicated that at least one non-executive director should be appointed the responsibility to manage the firms business.
- Details of your policy on non-executive directors

### 5.4 Management Structure

- Responsibilities and authority of senior management
- Personnel structure and reporting lines
- Composition of board members (executive and non-executive)
- Staffing levels in each key area of business
- Staff training policies – current and proposed
- Provide a structure chart if appropriate

## System Controls

### 5.5 Control Environment

- Explain the control environment to monitor operations – this should include:
  - 1) Main control committees e.g. credit, assets and liabilities, audit, compliance
  - 2) Structure of the main risk control areas e.g. is there a risk management function

### 5.6 Internal Audit Committee

- No internal audit committee required. Insurers do audits and we have ISO 9001/2008 systems in place which are audited every six months.

### 5.7 Management Information

- Management accounts provided on a monthly basis to the board.
- Quarterly board meetings.
- Morning conversations with all board members to deal with day to day issues.
- Computerized reporting system available for a snapshot.

## **6. Outsourcing and agreements with third parties**

### **6.1 Third Party Agreements**

- There is no outsourcing with a third party at this time.

### **6.2 Outsource Agreements**

- N/A

## **7. Other Information**

### **7.1 Right to Acquire Shares**

- No right to acquire shares at present.

### **7.2 Regulation Outside of UK**

- We are not regulated outside of the UK and have no intention to be regulated outside of the UK.

### **7.3 Other information**

- Anything else that the firm feels is relevant and has not been provided elsewhere.