

# Specialists in recovery of secret insurance commissions

- 1 Landlords acquires property
- 2 Landlords arranges insurance cover through appointed Managing Agent who utilises their preferred broker
- 3 Lease allows Landlord to recover insurance premium from Tenant as premium is reserved as additional rent
- 4 Insurer pays commissions to Broker (Broker usually shares commissions with Managing Agent)
- 5 Undisclosed commissions creates a secret profit against Landlord
- 6 Broker has a obligation to disclose commission arrangements to Landlord
- 7 Landlord is potentially entitled to recover up to six years of commission payments by Managing Agent

## Case Study Insuring a portfolio of DIY units



Let's do it right

On behalf of the landlord we undertook an insurance audit/due diligence review of the insurance arrangements placed by the Landlord's Managing Agent who were utilising their preferred Broker.

Having completed this review we established the Landlord's Managing Agent had received in excess of £200K per annum by way of commission from their Broker which had not been disclosed to the Landlord.

Provided with this information the Landlord was able to recover from the Broker the commission payments over a six year period totalling in excess of £1M.