



**Specialty**

**LEGAL EXPENSES  
(ARAG)**

Product Passport	
Product Name	Essential Business Legal Expenses
Product Type	Package/Embedded Add On
Product Status	This product is open to new and renewal business
This guide is for intermediary use and not for direct distribution to customers/clients.	

Product Details	
Manufacturer(s)	Carrier
Carrier	ARAG
Product Risk Net Score	Low
Effective Date	01/08/2024
Date Last Reviewed	31/07/2024

Product Description
Essential Business Legal provides legal advice and pays legal costs and expenses such as solicitors' fees, opponents' costs and court costs to represent businesses for a range of legal disputes. Claimants must have a 51% chance or greater of winning their case for a claim to be covered. Also included is access to a range of helplines (including legal advice) and our Business Legal Services website

Product Features	
<b>Mandatory Covers</b>	<ul style="list-style-type: none"> <li>• Employment Disputes &amp; Compensation</li> <li>• Employment Restrictive Covenants</li> <li>• Tax Disputes</li> <li>• Property Disputes</li> <li>• Legal Defence Costs</li> <li>• Compliance &amp; Regulation</li> <li>• Statutory Licence Appeals</li> <li>• Personal Injury</li> <li>• Executive Suite</li> <li>• Crisis Communication</li> <li>• Contract &amp; Debt Recovery</li> </ul>
<b>Optional Covers</b>	None
<b>Key Exclusions/Conditions</b>	<p>Noted below are key exclusions/conditions applicable to this product:</p> <ul style="list-style-type: none"> <li>• It must always be more likely than not that your claim will be successful.</li> <li>• You must report your claim during the period of insurance and as soon as you become aware of the circumstances that could lead to a claim.</li> <li>• Unless there is a conflict of interest, we will choose an appointed advisor until proceedings need to be issued or in any claim dealt with by an Employment Tribunal.</li> <li>• Legal costs, expenses or compensation awards incurred before we accept a claim.</li> <li>• Costs that exceed the sum we would have agreed to pay a solicitor on our panel, if the insured chooses to use their own representative.</li> </ul> <p>In addition, there are exclusions applicable to each of the cover provided, as further specified in the wording.</p>
<b>Distributors action to ensure provides fair value to end customer</b>	<p>Volume dependent remuneration should be avoided by distributors and must not conflict with the best interests of the customer.</p> <p>The rates set by ARAG have been assessed as part of our value assessment and are deemed to be of fair value to the customer. Intermediaries must ensure that the overall price paid by the customer represents value for money and is in keeping with the FCA duty to act in the best interests of the customer.</p> <p>All marketing materials must be formally reviewed for regulatory compliance by the distributor and agreed by Acrisure UK MGA Limited prior to publication.</p>
<b>Restrictions</b>	As per Policy Schedule
<b>Additional Cover(s)</b>	As per Policy Wording
<b>Policy length</b>	Variable but usually annual with ability to extend up to 6 months as required
<b>Policy structure</b>	This policy is to be sold to individual insureds

Target Market	
Product Design / Targeting	Specifically Designed for Market
Policy Language	Minimal Legal/Technical Terms
Target market description	Essential Business Legal is designed for businesses located in the United Kingdom, Channel Islands or the Isle of Man.
Who is this product unsuitable for?	This product is not suitable for non-commercial risks, non-UK based risks & risks that require Landlord and Tenant disputes cover as a landlord.

Fair Value Assessment	
Fair Value Definition	<p>Fair value means the relationship between the overall price paid by the end customer and the quality of the product(s) and/or service(s) received.</p> <p>Acrisure UK MGA Limited's fair value assessment considers value measures such as claims history, complaints, commission and fees, staff remuneration, barriers to complaints/claims/cancellation and premium finance arrangements.</p> <p>We have reached this conclusion after consideration of the price, benefits and features, available MI and the distribution chain involved (this is a non-exhaustive list).</p> <p>You should be satisfied that, in offering this product, it meets fair value expectations.</p>
Commissions/Fees	Brokerage is variable with total earnings including the addition of any fees not permitted to exceed 29% of the gross premium ex IPT charged to the end customer. Commission percentages are in line with market standards
Premium	Suitable for a broad range of premium levels
Distribution chain value	The distribution strategy represents value for money, commissions, and fees reflect services provided and there are no unnecessary intermediaries in the chain. The overall method of distribution is cost effective. and aim to provide proactive solutions when customer vulnerabilities are notified to us via our broking partners.

Distribution Method	
Distributions channels	The distribution is via a single insurer to our broker partner panel as an embedded add on for specific products.
Delegated Authority	This product was produced via a sub delegation authority facility
Advised / Non-Advised Sales	All sales are on a Non-Advised Basis
Conflicts of Interest	None – there are no known conflicts of interest

Vulnerable Clients	
How we support vulnerable clients	<p>As an MGA we will adapt where necessary when vulnerabilities are notified to us via our producing brokers. All of our broking partners are required to have a vulnerable customers policy in place to assist with identifying and supporting any customer vulnerabilities.</p> <p>We will always work with our broking partners to ensure the needs of any vulnerable customers are supported, inclusive of and not limited to; requesting information/documentation as per the clients requirements, ensuring the distribution channel is accessible and ensuring that the products we distribute meet the needs of clients.</p> <p>We are unaware of any areas of this product which could exploit a customer in a vulnerable circumstance at present.</p>

Claims Analysis	
Are claims overall delivering value?	Yes, we have reviewed the claims frequency, pay out and loss ratio's internally and are happy with the findings. The onus is on the Producing Broker to provide us with details of any complaints received in regard to the handling of claims.

Market Analysis	
Details of market analysis undertaken	<p>This product is distributed via a single insurer delegated authority scheme to our broking partners.</p> <p>A regular detailed product analysis is completed, we look to monitor ever changing market trends, cover limits, price, claims and complaints volumes to ensure we are providing the relevant value to our broking partners and their clients.</p>

Product Value Conclusion	
Understanding the product and its value	We have received the information we require from our carriers to understand the characteristics of each product, how they identify the suitable target market and offer support where a vulnerability may be identified.

Fee Analysis	
Our fee strategy	<p>There is no fee directly applied for the legal element of cover.</p> <p>There is a limited fee matrix dependant on our other products, where a fee is applied this fee represents the administration and service of the products provided via that trading platform.</p> <p>Our fee matrix is shared with all broker partners.</p>
Are there any fees in lieu of commission	None, we do not charge fee's in lieu of commission

**Cancellations**

Cancellation Analysis

We continually monitor cancellations and the reasons for policies being cancelled to ensure that trends are highlighted, and the appropriate measures are taken where required to ensure product value continues to be provided.

**Service**

Complaints information

In terms of complaints, we are relying upon our distributing brokers to notify us of any complaints raised and when these are raised to us we will act accordingly in helping to resolve these.