

DISTRIBUTOR PRODUCT GUIDE

After the Event Legal Expenses

- This guide is for intermediary reference only.
- It doesn't contain the full terms and conditions of the contract of insurance.
- Full terms and conditions are within the policy documents; you can request to have a copy of these.

Product design

We've provided after the event legal expenses solutions to consumers for over 20 years and work with industry experts such as the Association of British Insurers (ABI), in addition to our global partners across the Allianz Group. We draw upon this experience and insight, as well as customer research to ensure our products continue to add value and meet the evolving needs of our customers.

After the Event Legal Expenses is a Personal Lines General Insurance product designed for customers that want legal expenses insurance protection in order to protect them against the risk of liability for costs during a legal action. Such as, the legal action ultimately being unsuccessful in full or in part or failing to beat a part 36 or other cost bearing offer.

The product design provides value as in addition to the core cover under the product, payment of premium is deferred until conclusion of the legal action.

Target market

The target market for our After the Event Legal Expenses product are customers who meet the following criteria:

- consumers who wish to pursue a personal injury legal action in England or Wales which is above the small claims track limit
- who wish to pursue a clinical negligence legal action in England or Wales which is above the small claims track limit.

We're able to provide insurance solutions for a broad range of customers, however this product is **not** targeted towards:

- consumers who have a commercial or business legal dispute
- consumers who would like to bring a legal action outside of the jurisdiction of the courts of England or Wales
- consumers whose legal dispute would fall within the small claims track.

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This product isn't suitable for:

- non-UK businesses
- legal disputes in jurisdictions other than England or Wales
- customers who have not entered in to a conditional fee agreement or damages based agreement with a solicitor
- risks based outside of the United Kingdom and which require a global insurance solution.

We will not look to write risks:

- which have been previously declined or insurer cancelled or have a history of non-disclosure / misrepresentation
- which fall within the small claims court track within England or Wales

We wouldn't expect this product to provide fair value to:

- consumers who've a relevant event before the event legal expenses policy
- consumers who're eligible for legal aid.

Product value assessment

Our September 2023 assessment has concluded that our After the Event Legal Expenses Product, including its charging and distribution structure, is compatible with the needs, objectives and characteristics of the target market and provides fair value.

Our product value assessment is based on the premium we charge for the cover and the services we provide. In addition to the identified needs, characteristics (including vulnerabilities) and objectives of the target market we take a wide range of other factors into consideration, such as historical and expected claims frequencies, incurred and projected claims costs, plus scenario analysis along with customer feedback.

We also consider how the intended value of the product may be affected by its distribution with the conclusion of our product value assessment based upon our distribution strategy as set out below and that:

- The level of commission is in line with market proximate commission levels and is not being increased from what we have agreed with the placing distributor for the policy. Please refer to your commission schedule and traded commissions for your own distribution / value assessment purposes
- Our product does not form part of a packaged offering
- No other additional charges or remuneration are being received in connection with the distribution of our product other than referenced above or received from us

- All and any parties in the distribution arrangement are able to confirm that their remuneration is consistent with their regulatory obligations.

Distribution strategy

Our After the Event Legal Expenses product has been designed for distribution by insurance distributors that hold personal lines agency facilities with us, and that perform selling, advising and arranging activities in relation to the policy directly with the customer. They must have the appropriate level of understanding of the risks and exposures faced by their customer in the bringing the legal action.

Where we've granted permission for the distribution of our products to involve another, or an additional, party in the distribution arrangement, this is restricted to be no more than one level beyond the distributor placing the business with us, and in addition to the product value assessment details outlined above applying that:

- The additional parties being relevant and appropriate in terms of their involvement, knowledge and regulatory status
- The remuneration applicable is proportionate to the activities undertaken
- Administration fees not being applied in the distribution chain.

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Product Value Feedback

If you have any concerns about an Allianz legal expenses line product not delivering its intended value, including in relation to potential adverse customer or product value impacts from the distribution arrangement, please notify us of the relevant details by sending an email to:

regulatory.standards@allianz.co.uk

