

DISTRIBUTOR PRODUCT GUIDE

Commercial Before 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 commercial legal expenses solutions to businesses for over 35 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.

Commercial legal expenses is a Commercial Lines General Insurance product designed for small and medium businesses that want legal expenses insurance protection for their business from a range of events, such as; defence of employment disputes brought by employees, contract disputes, prosecution defence, licence protection and for compensation brought against the business by employees or third parties.

This product also provides additional services including 24 hour 365 day access to legal advice for all business related matters and access to legal documentation templates such as contracts of employment.

Target market

The target market for our commercial legal expenses product is established UK small and medium businesses with a turnover up to £10 million including but not limited to the following trade sectors:

- wholesale and retail
- general manufacturing
- metalworking and precision engineering.

We're able to provide insurance solutions for a broad range of businesses and are happy to consider those that sit outside of these parameters, however this product is **not** targeted towards:

- non-UK businesses
- customers wanting covers for less than twelve months
- retroactive covers.

This product isn't suitable for:

- legal disputes arising from a person acting for purposes outside their trade, business or profession
- non-going concerns or the retired
- businesses with connections or links to sanctioned individuals or countries
- motor traders
- construction trades
- property owners
- 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
- in some specific trade sectors, due to our own internal governance underwriting standards, reinsurance limitations or for reputational reasons.

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

- businesses with in-house legal departments or solicitor firm retainers
- customers with ongoing legal disputes which would ordinarily be covered under this policy
- seasonal risks where annual covers are placed
- mid-corporate businesses.

Product value assessment

Our product value assessment is based on the premium we charge for the cover and the services we provide. We take a wide range of factors into consideration, such as historical and expected claims frequencies, incurred and projected claims costs, plus scenario analysis including likely economic and climatic trends, along with customer feedback.

We also consider how the premium is affected by the commission added by the distributing intermediary for the activities they conduct. Any additional charges within the distribution chain may potentially erode the intended value of our product.

Distribution strategy

Our commercial legal expenses product has been designed for distribution by insurance intermediaries that hold commercial agency facilities with us. They must have the appropriate level of understanding about the risks and exposures faced by their customers in the operation of their business.