

DISTRIBUTOR PRODUCT GUIDE

Household 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 household 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.

Household Before the Event Legal Expenses is a Personal Lines General Insurance product designed for consumers that want legal expenses insurance protection in order to protect their legal rights from a range of events such as, pursuits of a personal injury claim or defending their rights as an employee.

This product also provides additional services including access to legal advice and legal documentation templates.

Target market

The target market for our Household Before the Event Legal Expenses product are Personal Lines consumers who meet the following criteria:

- must have a buildings or contents policy for the duration of the legal expenses contract
- the insured property must be the policyholders main residence
- the insured property must be with the United Kingdom, Channel Islands or Isle of Man.

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

- non-UK businesses
- customers who do not reside within the United Kingdom, Channel Islands or Isle of Man
- customers who want cover for less than twelve months.

This product isn't suitable for:

- a person acting for purposes outside their trade, business or profession
- non-going concerns or the retired
- legal disputes arising outside of the United Kingdom, Channel Islands or Isle of Man
- risks based outside of the United Kingdom and which require a global insurance solution.

HOUSEHOLD BEFORE THE EVENT LEGAL EXPENSES

DISTRIBUTOR PRODUCT GUIDE

We will not look to write risks:

- which have been previously declined or insurer cancelled or have a history of non-disclosure / misrepresentation.

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

- customers with ongoing legal disputes which would ordinarily be covered under this policy
- customers who reside outside of the territorial limits.

Product value assessment

Our September 2023 assessment has concluded that our Household Before 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 remuneration or commission charged by distributors is in line with market proximate remuneration or commission levels
- Administration fees or any other additional fees are only levied where the remuneration or commission income is not sufficient to cover any of those respective costs and is commensurate with the activities undertaken

- Ancillary products (including premium finance arranged by the distributor) are only being offered where requested by the customer and when appropriate to their demands and needs. The total charge to the customer for any ancillary products, and any directly related remuneration (whether commission or fee) is commensurate with the benefit / services provided and activities undertaken.
- 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.

HOUSEHOLD BEFORE THE EVENT LEGAL EXPENSES DISTRIBUTOR PRODUCT GUIDE

Distribution strategy

Our Household Before 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. They must have the appropriate level of understanding of the risks and exposures faced by their customer in the relation to household legal expenses risks.

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
- Any split or sharing of commission and/or the remuneration applicable to each party being proportionate to the activities undertaken by each party
- Administration fees not being applied by more than one party in the distribution chain.

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

