



ARAG

This document is not intended for customer use.

It should be used for the management of the product by ARAG and their Business Partner only.

Distributor Product Information

Family Legal Expenses Insurance HNW

Product information

High Net Worth Family Legal Expenses Insurance provides policyholders and their family with access to telephone legal advice along with insurance cover for legal costs and expenses should they experience one of the legal problems covered by the policy such as employment disputes, contract disputes, property protection and personal injury.

A legal advice helpline is provided and other helpline services are also available to choose for this product.

Online law guide and document drafting gives customers access to legal guidance for dealing with a range of issues and are also available for this product.

For our High Net Worth customers we are also able to provide a wider range of additional cover extensions that will suit this customer group.

Individual policy documents contain specific policy covers.

The products approved distribution approach is; as a personal product to be sold alongside Home Insurance on either an opt-in basis (where the customer pays a premium for the product) or mandatory basis (where the cost of this cover is already included in the main home policy premium.)

Customers purchasing via a broker may also be able to purchase this product as part of a bespoke bundle of additional products that a broker creates to meet the customers' requirements.

High Net Worth Family Legal Expenses Insurance can be sold on a mandatory or optional basis.

High Net Worth Family Legal Expenses Insurance cannot be sold as a standalone product.

Who can buy this product

The policy can only be sold to customers in the United Kingdom of Great Britain and Northern Ireland, the Isle of Man or the Channel Islands. They must also be domiciled within these territories for the period of insurance.

Customers must also:

- Be aged 18 or over
- Not have any unspent criminal offence.

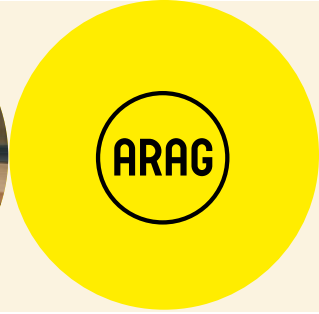
For all insured incident claims there are territorial limits which apply to claims under this cover.

Individual policy documents contain specific policy conditions and terms.

Roles and Responsibilities

High Net Worth Family Legal Expenses is underwritten by ARAG Legal Expenses Insurance Company Limited and distributed through brokers and corporate partners.

- The policy is sold to consumers via business partners who are distributors.
- The policy administration is undertaken by distributors.
- Sales complaints are handled by the distributor through which the policy was purchased.
- Claims complaints are handled by ARAG.
- Legal advice is provided by ARAG or a third party on our behalf.
- Claims handling is undertaken by ARAG or a third party on our behalf.
- Other helplines are provided by third parties on our behalf.



Target Market

The target market for this product is High Net Worth and Mid Net Worth household insurance customers, who wish to have access to legal advice and protection for themselves from the cost of unforeseen legal issues related to legal problems of a specific type covered by the policy.

We expect that these customers, due to their more affluent lifestyles may face additional risks and require more tailored levels of service to meet their insurance needs.

Types of customers for whom the product would be unsuitable

Business customers – this product is designed only for personal customers who rent or own their own home.

Mass market personal lines customers - the product is designed for high net worth customers who are also more likely to have different cover needs. It is not intended for large volume distribution alongside standard household insurance.

Landlords – this product is only designed for personal customers who rent or own their own home.

Any notable exclusions or circumstances where the product will not respond

- Civil cases where the lawyer appointed for the customer does not believe they will be 51% or more likely to win the case
- Costs incurred before ARAG have agreed to cover the claim
- Legal problems that started before the date the cover begins
- Costs which exceed the policy limit for any one claim
- Fines, penalties, compensation or damages ordered to be paid by a court or other authority
- If ARAG agree the customer can choose their own choice of lawyer, any costs above what ARAG would have paid their preferred lawyers (this amount may vary from time to time)

Customers are not covered for:

The use of the customer's own lawyer. ARAG will appoint a preferred lawyer or other professional

for the customer. The customer may choose their own lawyer when legal proceedings start or if there is a conflict of interest.

Individual policy documents contain specific policy conditions and terms.

Other information which may be relevant to distributors

Distributor Value Impacts:

As a distributor we remind you of your responsibility in relation to the Fair Value of the ARAG products that you distribute. Examples of distributor influences on Fair Value include but are not limited to;

- Remuneration – high commission levels or fees may reduce the value of this product for the customer.
- Duplicate product sales – sales where the customer may have cover elsewhere and are therefore unable to fully utilise the ARAG product would negatively impact value.
- Sales to ineligible customers and sales to customers outside of the product target market would lead to poor value for those customers.
- Ensuring accurate product information and promotion will aid customers' understanding of the product benefits and lead to better awareness and in turn more customers utilising the product. This should be considered both through the sales journey and in any marketing literature and "How to claim" online pages and guides. ARAG provides both training and marketing support material to enable distributors to maximise customer understanding.
- Facilitation of customer marketing communications on legal risk management and legal processes (e.g. prospects of success) is recommended. Legal Advice should be featured prominently as an effective tool in this respect.
- Providing customer data to ARAG to facilitate cover validation can enhance the service provision and ensure customers are receiving maximum value from the product as soon as possible

Intended Product Value Statement:

The intended product value of Family High Net Worth Legal Expenses Insurance is to enable customer's access to legal advice and solicitor services in a convenient and cost effective way.



Our Fair Value Assessment and Product Review are then designed to ensure that this value statement remains true.

Product Approval Process Overview

ARAG operates a multi gate sign off process for all new products and product changes assessed as significant adaptations.

We have the following areas of accountability:

- The Product Governance Team provide product oversight and are responsible for Product Reviews and Fair Value Assessments
- Technical and Trading Underwriting conduct technical performance reviews which form part of the ARAG Product level Review
- The Product Governance Forum provides approval and oversight for new products, product development, and ongoing approval of existing products via the Product Review Process.

Products will be reviewed at least every 12 months or more frequently if any areas of concerns are highlighted.

