

Product Governance and Fair Value Assessment

This summary document has been created to fulfil our responsibility under Fair Value regulations.

This document **should not** be used as a sales aid or a marketing tool. The client facing broker must act in accordance with the best interests of each customer individually when offering to recommend a particular policy or not.

Class of business	17 – Legal Expenses.
Product name	Commercial Legal Protection.
Policy wording reference	As per current version in your possession.
Product type	Legal expenses insurance for SMEs to pursue/defend certain business legal disputes.
Product status	Current product open to new and renewal business.
Co-manufacturers	<p>This product is manufactured by Legal Protection Group Limited (“LPG”) who are responsible for product governance and fair value assessments.</p> <p>Product governance information about LPG is available at: LPGunderwriting@legalprotectiongroup.co.uk</p>
Most recent review	December 2021.
Target market	<ul style="list-style-type: none"> • Commercial customers. • Small to medium enterprises whose annual number of employees is less than 500. • The SME must be registered in the United Kingdom. • The SME must operate from premises located in the United Kingdom.
Outside target market	<ul style="list-style-type: none"> • Other classes of insurance. • Non-SMEs. • Businesses who are registered outside of the United Kingdom. • Businesses who operate from premises located outside the United Kingdom. • The following business activities are ineligible for cover: aircraft and aerospace industry; asbestos removal; care homes; educational establishments; employment and recruitment consultants; gaming, gambling and nightclubs; power generation; offshore; and waste management. • Building and allied trades are ineligible for Contract Disputes cover.

<p>Characteristics of the product aimed at meeting the needs of the target market</p>	<ul style="list-style-type: none"> • Cover basis Claims made policy covering adviser’s costs and expenses, including third party costs and expenses that are awarded against the policyholder, or that we agree to pay, following a specified business legal dispute. The indemnity will also provide for the payment of basic and compensatory awards following an employment dispute and breaches of data protection legislation. • Add-ons There are no add-ons available to purchase separately under this insurance. • Optional covers Contract Disputes and Recovery of Undisputed Debts are both optional covers. • Key exclusions and limitations Key exclusions and limitations apply throughout this product. • Policy literature The policy wording and IPID are issued with each new and renewal quotation , and a sample is available on request by sending an e-mail to: LPGunderwriting@legalprotectiongroup.co.uk
<p>Distribution strategy</p>	<p>This product is intended for distribution via FCA authorized brokers only. Brokers must be approved by us and enter into our standard ToBA. Brokers may access the following address: enquiries@legalprotectiongroup.co.uk</p> <p>Alternatively, you can submit information by e-mail to a member of our sales team.</p>
<p>Commission</p>	<p>We will agree a commission rate with each distributor. All distributors should be able to demonstrate that commission received bears a reasonable relationship to the actual costs of their contribution/level of involvement or benefit added by them to the distribution agreement.</p> <p>We may ask you to justify your commission rate and if we are not satisfied that it is appropriate, we may seek to amend it.</p>
<p>Other remuneration</p>	<p>We may ask you to provide details of remuneration you earn in connection with the sale of this policy. This includes any fees, premium finance earnings,</p>

	<p>earnings from non-insurance products, or add-ons sold alongside our policy.</p> <p>You must ensure that your arrangements are consistent with FCA rules on conflicts and incentives. You should review all remuneration arrangements at least annually and share the outcome of that review with us on request.</p>
Fair value review	<p>LPG as product manufacturer has its own product governance process. Our product governance process requires a full review of all products at least annually to determine if the product offers fair value to the end customer. These reviews consider target market, distribution strategy, remuneration, marketing, product information, product performance, product design, and feedback from distributors and customers.</p> <p>We also monitor conversion rates, renewal retention, cancellations, loss ratios, claims and complaints as part of this review process.</p>
Customers for whom the product is not expected to provide fair value	<p>This product would not be expected to provide fair value to policyholders/risks that fall outside the Target Market.</p>
Relevant documents available	<ul style="list-style-type: none"> • Policy wording • IPID <p>Please contact: LPGunderwriting@legalprotectiongroup.co.uk for samples.</p>

We welcome any feedback from our customers on the performance of our products. Any feedback will be considered at our next product review.

(LPG/UW/PGFVA/CLP/09.2022)