Brochure

ARAG

Flat Living Insurance
Legal Expenses

FlatLiving® Insurance

Why you need *Flat Living Insurance* Legal Expenses

Your business faces many challenges daily and from time-to-time unforeseen problems can occur, our Flat Living Insurance Legal Expenses Policy provides professional legal and financial support for a wide range of business-related legal disputes.

You can also access free legal documentation and useful law guides and obtain legal advice from a qualified specialist. Your executive team can also benefit from a suite of additional covers.

Legal advice and other helplines

You can call our legal advice helpline and get immediate advice on all legal problems affecting your business, 24 hours a day, 365 days a year. You can also obtain tax-related advice from our tax helpline or use our counselling assistance helpline which is available to your employees and their families.

Business legal services website

Your policy unlocks free access to our Business legal services website, this provides a range of useful tools to help your business. You can access our law guides which offer guidance on a wide range of legal topics, as well as videos and claims examples that demonstrate how our cover can help. The website also provides a comprehensive range of legal documents on subjects such as employment and health and safety, which can be tailored to meet the needs of your business.

What we cover

We can help you to overcome a range of common business problems, for example:

- you need expert legal advice quickly
- a dispute with an employee escalates and can't be resolved
- you receive notice of an enquiry into your tax or VAT returns
- a Health & Safety inspection ends with a threat to prosecute your business
- a neighbouring business restricts access to your premises
- your business attracts adverse publicity which threatens to damage your reputation and you need PR advice
- First-tier Tribunal (Property Chamber) costs protection.

Who is ARAG?

ARAG is the largest family enterprise in the German insurance industry and has positioned itself as a versatile quality insurer. Specialising in legal insurance as the leading legal insurer worldwide, ARAG also offers its customers attractive, needs-based products and services from a single source.

Active in a range of countries across Europe, alongside the US and Canada, the Group holds a leading position in multiple international markets as a provider of legal insurance and legal services. With almost 6,100 employees, the Group generates revenue and premium income totalling more than €2.8 billion.

What is covered?

What is covered?

The summary table on pages 6 to 8 provides all the information that you need to consider before deciding whether to buy this cover but the information below will also help you. If you require full details of our policy terms and conditions please ask to see a policy wording.

Employment disputes & compensation

Employment law changes constantly and keeping on top of it can be a full-time job. You can keep up-to-date and download free employment-related documents from our Business legal services website. If you have a dispute with an employee it can be stressful, time-consuming and very costly to both your finances and reputation. We will pay the legal costs of defending your business if an employee brings a claim against you. We will also pay compensation awarded against you.

Employment restrictive covenants

You may have restrictive covenants in your employment contracts to protect your business interests should an employee or ex-employee attempt to trade in competition with (or work for a competitor of) your business. Alternatively, you may need to defend a claim where your employee is alleged to have breached their ex-employer's restrictive covenant. Flat Living Insurance Legal Expenses will pay the costs involved to resolve legal disputes that arise from restrictive covenants.

Tax disputes

No business welcomes an unexpected visit from the taxman and any investigation by HMRC can be lengthy and expensive. Our tax advisors will represent your business if you are investigated or where a dispute arises following a compliance check by HMRC.

Property

Your premises are vital to the smooth running of your business. Nuisance, trespass or damage to your property by another party could put a substantial strain on your ability to operate effectively. The insurer will pay legal costs to protect your rights and claim compensation if necessary.

Legal defence

All businesses operate within a complicated framework of legislation. Our Business legal services website can help you to remain compliant but if things go wrong we will pay the legal costs to defend your business throughout a criminal investigation or prosecution, including motoring offences.

Compliance & regulation

Businesses are confronted by ever-increasing burdens from regulatory and professional bodies. We can help you to appeal against the terms of a Statutory Notice issued against the business, if your business is investigated by a regulatory body or if employees have to attend a professional or regulatory disciplinary hearing. Where we have defended Health and Safety Executive enforcement action against you that results in Fees For Intervention being charged, you are covered for these fees.
Provided that data protection redress is in place we will defend your business against civil action brought under the Data Protection Act by data subjects seeking compensation. Your employees are also protected if they face civil action arising from an alleged act of unlawful discrimination or in their capacity as a pension fund trustee.

Statutory licence appeals

We will represent you to appeal against the formal written proposal of a licensing or other authority, to change the terms of, suspend, or revoke your business licence or compulsory registration.

Loss of earnings

The insurer will pay salary or wages for time that is lost due to an employee's absence from work to attend court or tribunal at the request of the lawyer acting for you under the policy or to perform jury service.

Personal injury

We will represent an employee to pursue a claim for compensation if they are injured at work where fault lies with a third party.

Executive suite

A suite of covers to protect the principal, executive officers, directors and partners of your business.

- An HMRC enquiry into the executive's personal tax affairs.
- Motoring prosecution defence for personal, social or domestic use.
- Personal identity theft assistance and resolution service.
- Mediation costs up to £25,000 to resolve a dispute between business partners that arises from the terms of their partnership agreement.
- Crisis communication is available for matters occurring in an executive's private and personal capacity that cause adverse publicity or reputational damage.

Contract & debt recovery

Any kind of dispute or problem with a supplier or customer can have a significant impact on your business. If this happens we will help you to resolve the situation as quickly as possible and the insurer will pay any legal costs involved. Problems with cashflow are very common and making sure your customers pay promptly is essential. If you have a late payment issue, we will negotiate to resolve the situation as quickly as possible.

Crisis communication

In an increasingly media-orientated world, adverse publicity can have a devastating financial impact on your business. We will pay up to £25,000 in professional fees to provide expert advice to help you manage communication effectively in times of crisis. This can include drafting a media statement as well as preparing suitable communications for your staff, customers or suppliers.

First-tier Tribunal (Property Chamber) costs protection

An application by your tenant(s) for a section 20C notice under the Landlord and Tenant Act 1985 which could prevent you from recovering legal costs & expenses from your tenants.

Extensive range of legal products, services, and emergency assistance products.

Important Information

Important conditions

You must always contact us first before appointing a solicitor to act for you. If you fail to do this you may prejudice your position and the insurer will not pay costs that they would not have agreed to pay under the terms of your policy.
When we receive your claim, we will have it assessed for reasonable prospects of success. Provided that the event is covered by the policy and your claim is more likely than not to succeed, we will help you under the terms of your policy.
We will recommend mediation to resolve your dispute where appropriate or we will appoint a solicitor, or other suitable expert to act for you from our nationwide panel of specialist firms. The members of our panel are carefully selected based on their expertise and work under strict service standards. They are also audited regularly to ensure they provide the best possible service to our customers.

What happens if I change my mind after taking out the policy?

The policy provides you with a 14-day reflection period in which to decide whether you wish to continue.

Cancellation is fully explained in Condition 9. of the policy wording.

What happens if the insurer cannot meet its liabilities?

The insurer is covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation of up to 90% of the cost of your claim in the unlikely event that the insurer cannot meet its obligations.
Further information about compensation scheme arrangements is available at **www.fscs.org.uk** or by calling them on **0800 678 1100**.

Claims procedure

Telling us about your claim

1) If an insured needs to make a claim, they must notify us as soon as possible.
2) If an insured instructs their own solicitor or accountant without telling us, they will be liable for costs that are not covered by this policy.
3) A claim can be made online at **www.arag.co.uk/newclaims**. Alternatively an insured can obtain a claim form by downloading one at **www.arag.co.uk/newclaims** or by calling us on **0330 303 1955** between 9am and 5pm weekdays (except bank holidays).
4) The completed application and supporting documentation can be submitted online or sent to us by email, or post.
   Further details are set out on our website.

What happens next?

1) We will send the insured an acknowledgment by the end of the next working day after receiving their claim.
2) Within five working days of receiving all the information needed to assess the availability of cover under the policy, we will contact the insured either:
   a) confirming cover under the terms of your policy and advising the insured of the next steps to progress their claim; or
   b) if the claim is not covered, we will explain in full the reason(s) why, and advise whether we can assist in another way.
3) When a representative is appointed by us, they will try to resolve the insured's dispute without delay, arranging Alternative Dispute Resolution, such as mediation, whenever appropriate.
4) We will check on the progress of the insured's claim with the appointed advisor from time to time. Sometimes matters cannot be resolved quickly, particularly if the other side is slow to cooperate or a legal timetable is decided by the courts.

Summary table

The table below shows a summary of cover. For full terms and conditions of the policy, please read the policy wording.

Significant features & benefits	Significant exclusions or limitations
The insurer will pay legal costs & expenses and employment compensation awards up to the sum shown in your policy schedule or as otherwise stated in the policy including the cost of appeals for the following:	• It must always be more likely than not that your claim will be successful. • You must report your claim during the period of insurance and as soon as you become aware of the circumstances that could lead to a claim. • Unless there is a conflict of interest we will choose an appointed advisor before proceedings need to be issued or in any claim dealt with by an Employment Tribunal. • Legal costs, expenses, or compensation awards incurred before we accept a claim. • Costs that exceed the sum we would have agreed to pay a solicitor on our panel, if the insured chooses to use their own representative.
1) Employment A dispute with a past, present, or prospective employee, arising from a contract of service and/or alleged breach of employment laws.	• Pursuing an action other than an appeal. • Any redundancy notified claim within 180 days of you taking out this policy. • Internal grievances or disciplinary matters.
2) Employment compensation awards Where we have accepted your claim under Employment, the insurer will pay a basic and compensatory award made against you by a tribunal, or an amount agreed by us to settle a dispute.	Money due to an employee under a contract.
3) Employment restrictive covenants A dispute with • your employee or ex-employee which arises from a restrictive covenant in a contract of service with you • another party who alleges that you have breached their legal rights protected by a restrictive covenant.	The restrictive covenant must not extend further than is reasonably necessary to protect your business interests or contain restrictions in excess of 12 months.
4) Tax disputes A formal tax enquiry by HMRC, where a dispute arises following a compliance check by HMRC in relation to your business tax affairs, or where a dispute arises about VAT.	• Any claim where you have been careless or have not met legal timescales. • An investigation by the Fraud Investigation Service of HMRC. • Tax avoidance.
5) Property An event which causes damage to your property, a public or private nuisance or trespass, and recovery or repossession of property from an employee or ex-employee.	Any claim where a contract exists between you and the other party (apart from the recovery or repossession of property from an employee or ex-employee).

Significant features & benefits	Significant exclusions or limitations
6) Legal defence We will defend the insured • in an investigation that could lead to prosecution • if criminal proceedings are brought. Cover for motor-related investigations and prosecutions is included.	Parking offences.
7) Compliance & regulation • An appeal against the terms of a Statutory Notice issued against your business. • Representing you throughout an investigation by a professional or regulatory body and at any subsequent disciplinary hearing. • Defence of a civil action brought - for wrongful arrest arising from an allegation of theft; - under the Data Protection Act; - against your employees where unlawful discrimination has been alleged or there has been a breach of duty in their capacity as trustee of a pension fund set up for the benefit of your employees.	
8) Statutory licence appeals An appeal against a formal written proposal to alter, suspend, revoke or refuse to renew a statutory licence or registration.	
9) Loss of earnings The insurer will pay loss of earnings if an employee has to attend court or tribunal for a claim under this policy or because they are called for jury service.	Any sum which can be recovered from the court.
10) Personal injury We will represent an employee to pursue a claim for compensation if they are injured at work where fault lies with a third party.	Conditions, illness or disease that gradually develop over time.
11) Executive suite The principal, executive officers, directors and partners of your business are covered for the following. • An HMRC enquiry into the executive's personal tax affairs. • A motoring prosecution that arises from driving for personal, social or domestic use. • A claim that arises from personal identity theft. • A dispute that arises from the terms of your business partnership agreement that is to be referred to mediation. • Crisis communication, as described below, covers your executives for matters occurring in their private and personal capacity and that cause reputational damage.	• The exclusions that apply to insured events 4), 6) above and 13) below also apply to an executive claiming against this insured event. • For identity theft claims the person claiming must have followed advice from the Executive suite identity theft resolution helpline.
12) Contract & debt recovery Contract disputes and debt recovery actions relating to the purchase, hire, lease, servicing, maintenance, sale or provision of goods or services. Motor vehicle disputes are included.	• The amount in dispute must exceed £200. • Disputes with tenants. • The sale or purchase of any land or buildings. • Computer systems which have been supplied by you or tailored to your requirements. • Breach of professional duty by an insured. • Arbitration or adjudication.

Significant features & benefits	Significant exclusions or limitations
13) Crisis communication Access to professional public relations support and crisis communication services to manage adverse media publicity and reputational exposure.	• Matters that should be dealt with through your normal complaints procedures. • A matter that has not actually resulted in adverse publicity. • The maximum the insurer will pay is £25,000.
14) First-tier Tribunal (Property Chamber) costs protection An application by your tenant(s) for a section 20C notice under the Landlord and Tenant Act 1985 which could prevent you from recovering legal costs & expenses from your tenants(s) following proceedings brought under a) section 27(A) in respect of your tenant(s) liability to pay you service charges and/or b) section 19 in respect of the reasonableness of service charges or the standard of works carried out on your property.	
Legal & tax advice helpline Access by telephone to legal and tax experts for UK, Isle of Man Channel Islands and EU-wide legal advice and UK tax advice.	• Advice will not be put in writing. • Advice is restricted to business legal matters. • Legal advice is available 24 hours a day, 365 days of the year. • Advice on UK tax law is available Monday to Friday between 9am and 5pm (except bank holidays). • We cannot advise on financial planning or financial services products. • Services are subject to fair and reasonable use.
Executive suite identity theft Telephone advice to help executives keep their personal identity secure. Where identity theft is suspected, caseworkers can help the victim to restore their credit rating and correspond with their card issuer, bank or other parties.	Available Monday to Friday between 9am and 5pm (except bank holidays).
Crisis communication If your business has attracted negative publicity which could cause reputational damage, you can access professional PR support from our Crisis communication experts.	This service is available 24 hours a day, 365 days of the year.
Counselling assistance Qualified counsellors will provide confidential support and advice by phone to your employees or their family members who are suffering from emotional upset or feeling worried and anxious about a personal or work-related problem.	This service is available 24 hours a day, 365 days of the year.
Business legal services website Register using your voucher code to download legal documents that can assist with day-to-day issues that affect your business.	• Documents are for business use. • Some documents only apply for England & Wales.

Significant features & benefits	Significant exclusions or limitations
Territorial limit The UK, Channel Islands and the Isle of Man, except for Legal defence and Contract & debt recovery where cover extends to EU countries, Norway and Switzerland. **Period of insurance** Unless otherwise agreed the period of insurance shall be for 12 months. **Legal costs & expenses** • Reasonable costs incurred by the appointed advisor. • The other side's legal costs. • Employment compensation awards and employee settlements agreed with us. • Basic wages and salary in respect of Loss of earnings cover. • Crisis communication costs. • Fees for intervention.	

How we handle complaints

Step 1

ARAG is committed to providing a first class service at all times. However, if a complaint arises, this should be addressed to our Customer Relations Department who will arrange to have it reviewed at the appropriate level.
We can be reached in the following ways:

0344 893 9013 (hours of operation are 9am-5pm, Mondays to Fridays excluding bank holidays. For our mutual protection and training purposes, calls may be recorded).

customerrelations@arag.co.uk

ARAG plc, Unit 4a, Greenway Court, Bedwas, Caerphilly CF83 8DW.

Step 2

If we are not able to resolve the complaint to your satisfaction then you can refer it to the Financial Ombudsman Service (FOS). They can be contacted at:

0800 023 4567 or **0300 1239 123**

complaint.info@financial-ombudsman.org.uk

Financial Ombudsman Service, Exchange Tower, London E14 9SR.

The FOS is an independent service in the UK for settling disputes between consumers and businesses providing financial services. You can find more information on the Financial Ombudsman Service at **www.financial-ombudsman.org.uk**

The FOS's decision is binding upon us, but you are free to reject it without affecting your legal rights.
You can read more about our complaints procedure on our website by clicking here:
https://www.arag.co.uk/contact/making-a-complaint

www.arag.co.uk

EBLPOS.07-26 Flat Living Ins

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