

## PRODUCT GOVERNANCE AND FAIR VALUE ASSESSMENT

*This summary document has been created to fulfil our responsibilities under fair value regulations. This document **should not** be used as a sales or marketing tool. The client facing broker must act in the best interests of each customer individually when deciding whether to recommend a particular policy or not.*

**PRODUCT NAME** Commercial Property Owners’ Legal Solutions (Arag)  
**POLICY WORDING** Commercial Property Owners’ Legal Solutions Policy Document (Arag)  
**VERSION NUMBER** CPOLPWCAM.02.23SR

<b>PRODUCT TYPE</b>	<p>Commercial Property Owners’ Legal Solutions provides legal advice and pays legal costs and expenses such as solicitors’ fees, opponents’ costs and court costs to represent commercial landlords for a range of residential and commercial tenancy and business-related legal disputes. Claimants must have a 51% chance or greater of winning their case for a claim to be covered.</p> <p>Also included is access to a range of helplines (including legal advice) and our Landlords’ and Business Legal Services websites.</p>
<b>CO-MANUFACTURERS</b>	<p>This product is manufactured by ARAG plc who is authorised under a binding authority agreement to administer this insurance on behalf of the insurer, SCOR UK Company Limited (“ARAG”). Arag is responsible for product governance and fair value assessments.</p> <p>This Assessment is produced by Camberford Underwriting from the Arag Target Market Statement.</p> <p>The Arag Target Market Statement, Fair Value Assessments, Product Oversight and Governance Policy and Product Development Process documents are available at <a href="https://www.arag.co.uk/product-governance/">https://www.arag.co.uk/product-governance/</a></p>
<b>MOST RECENT REVIEW</b>	June 2024 (Camberford Underwriting)
<b>TARGET MARKET</b>	<p>Commercial Property Owners’ Legal Solutions is designed for property which is located in the United Kingdom and for residential or commercial let property owners located in the United Kingdom, Channel Islands or the Isle of Man.</p> <p>This product must attach to the sale of another insurance product.</p>
<b>OUTSIDE TARGET MARKET</b>	<ul style="list-style-type: none"> <li>• This product being sold without attaching to the sale of another insurance product.</li> <li>• Properties outside of the United Kingdom.</li> <li>• Property Owners registered outside of the United Kingdom, Channel Islands or the Isle Of Man.</li> <li>• Any property which is or should have been registered as a House of Multiple Occupation.</li> <li>• Social housing and/or Housing Association landlords</li> <li>• Agricultural letting or licensed premises.</li> </ul>

**CHARACTERISTICS OF THE PRODUCT AIMED AT MEETING THE NEEDS OF THE TARGET MARKET**

**Cover Basis**

Commercial Property Owners' Legal Solutions.

Helplines

- Legal and tax advice
- Redundancy assistance
- Executive suite – identity theft resolution
- Crisis communication
- Counselling assistance.

Landlords' and Business legal services.

**Add Ons:**

There are no add-on covers available to purchase separately under this product.

**Optional Covers**

None.

**Product Literature**

The Policy Wording and Summary are issued with each new and renewal quotation; and a sample is available upon request to [product.governance@camberford.com](mailto:product.governance@camberford.com).

**DISTRIBUTION STRATEGY**

This product is intended for distribution via FCA authorised brokers only. Brokers must be approved by us and enter into our standard format TOBA. Our preferred method of agreeing TOBAs is via REG. Brokers may access this product via our website enquiry forms or by submitting information by email to our relevant team.

Sub- broking is not permitted.

**COMMISSION**

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 arrangement. 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.

**OTHER REMUNERATION**

We will charge an Underwriting Fee on any new business or renewal policy taken up. Full details regarding our fees are detailed within quotation and schedule documents. We review our fees annually to ensure that they remain appropriate.

We may ask you provide details of remuneration you earn in connection with the sale of our policy. This includes any fees, premium finance earnings, earning from non-insurance products or add-ons sold alongside our policy.

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.

**FAIR VALUE REVIEW**

**ARAG**

ARAG operate a robust sign off process for all new products and material

product changes, with the following areas of accountability.

- Product Development Team produce technical performance reviews at product and thematic level. This work informs pricing and product content.
- Product Development Team conduct research and co-ordinate product launch/relaunch/change activity. The team drafts policy documentation, supporting literature and provides technical training.
- Product Development Team engage with stakeholders throughout the process.
- The Product Development Manager sits on the Conduct Risk Committee.
- Underwriting & Claims Committee provide approval of product development.
- Sales, Product & Innovation and Group Risk Management at ARAG Group (and other stakeholders) approve new product ideas/innovation.
- Products are also approved by our capacity Underwriters.
- Underwriting teams conduct technical performance reviews at account level.
- Claims audit teams audit external service providers.

Products are reviewed at regular intervals, scheduled based on a number of factors such as the size, scale, contractual duration and complexity of those insurance products, their respective distribution channels, and any relevant external factors such as changes to the applicable legal rules, technological developments, or changes to the market situation. Such reviews will be undertaken every 12 months or more frequently where the potential risk associated with the product makes it appropriate to do so.

#### **Camberford Underwriting**

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 the target market, distribution strategy, remuneration, marketing, product information, product performance, product design and feedback from distributors and customers.

We also monitor conversion rates, renewal retention, cancellations, loss ratios, claims and complaints as part of this review process.

We are satisfied that the product offers fair value to its intended Target Market, subject to distributors:

- not charging customers additional amounts over and above the gross premium plus underwriting fees quoted by us without first determining that they do not have a detrimental effect on the value of the product.
- ensuring that no duplicate cover exists or is caused by an add-on where that cover is already provided by the policy.

**CUSTOMERS FOR WHOM THE PRODUCT IS NOT EXPECTED TO PROVIDE FAIR VALUE**

This product would not be expected to provide fair value to policyholders / risks that fall outside the Target Market.

**RELEVANT  
DOCUMENTS  
AVAILABLE**

- Policy Wording
- Summary

Please contact [product.governance@camberford.com](mailto:product.governance@camberford.com) for samples.

We welcome any feedback from our distributors on the performance of our products. All feedback will be considered in our next product review.

If you believe that your staff would benefit from additional training on this product please let us know by making contact by email to [product.governance@camberford.com](mailto:product.governance@camberford.com).



**t: 020 8315 5000 w: [camberford.com](http://camberford.com)**

Camberford Underwriting is a trading name of Camberford Law Limited. Registered Office: 7th Floor, Corn Exchange, 55 Mark Lane, London EC3R 7NE. Registered No. 608819 in England and Wales. Authorised and Regulated by the Financial Conduct Authority. FRN 121476