



ESSENTIAL BUSINESS LEGAL POLICY

LEGAL SERVICES

**Greater cover
than you'd expect**



Essential Business Legal - a pioneering service from ARAG

Costly and lengthy litigation can cripple a company, but with **Essential Business Legal**, we help to ensure that your business stays on track by avoiding many of the distractions and more importantly, the associated expense that litigation causes.

Your business benefits from legal assistance as soon as the cover starts, and you can call upon the following legal services from day one, as and when they are needed:

- Download legal documents and letters from our website and personalise them to meet your specific needs.
- Access the law guide so you can quickly understand what you need to know to help your business.
- Ask our legal team to review any such documents and letters before they are despatched (optional).
- 24 hour, 365 days a year legal helpline to provide immediate advice on business matters.
- Counselling assistance day or night to provide help and support to the workforce.
- Advice line to assist with all tax-related issues.

But it doesn't end there.

Our services are also fully complemented by legal fee insurance to provide your business with the financial muscle needed when contending with other day-to-day legal and tax wrangles. These include:

- Employment
- Tax Protection
- Property Protection
- Compliance & Regulation
- Employees' Extra Protection

In most cases the availability of cover is subject to the claim possessing reasonable prospects of success. However, under our alternative commercial cover, **Essential Business Legal**, besides being entitled to an audit of your employment practices, we will also pay defence costs and compensation even where you have not followed the correct procedures. Please ask your broker for further details.

All with the secure backing of an international group

The ARAG Group is one of the world leaders in legal solutions, with over 3,700 employees worldwide, and an annual premium income of over €1.3 billion. With over 70 years' experience as an insurance services specialist in Germany, ARAG is now a world leader in international growth markets and is active in eleven European countries. Undisputed market leader in Spain and Italy, the group is also a leading player in the US legal insurance market.



Your Legal Services

Automatic Legal Services

Legal Document Max

Until now, legal insurance has simply provided a cure rather than focusing on prevention, but **Essential Business Legal** takes a different approach. We provide a business with the legal tools it needs to help it avoid litigation in the first place. Our on-line document drafting service means you help to avoid spiralling solicitor costs and save your business money. From personalised offer letters to employment contracts, from written warnings to dismissal letters, you can draft everything you need on-line.

But that's not all.

Our on-line service goes beyond employment issues to cater for a wide range of other legal matters including:

- Health & safety/compliance
- Debt recovery
- Contract disputes

A swift response and tailored information – all at your fingertips.

Legal Advice

Legal issues can arise at any time, not just between the hours of 9 and 5. When the need occurs, your business can call upon expert advice instantly, any time of the day or night.

- Our helpline is a cost-effective way of obtaining confidential assistance on any legal issue affecting your company.
- The advice is free – the only cost of using this service is a national rate telephone call.

Tax Advice

Regardless of the size of your business, practical and comprehensive advice is on hand to help with any one-off issues, or just to provide assistance on normal day-to-day matters.

Confidential advice is available on any issue relating to Her Majesty's Revenue & Customs, including matters concerning tax, VAT and National Insurance Contributions.

All the support your business needs delivered by fully trained tax experts.

Counselling Assistance

The key to any business is the good health of its employees, and that is why we provide a confidential counselling service on hand to offer the necessary help and support to any of your staff that might need it.

- Our trained counsellors are available to provide support on any matter that is causing your employee upset or anxiety, from gambling to bereavement.
- This service is available 24 hours a day, 365 days of the year.

Legal Update

Register for our free Legal Update service and we'll let you know about any change to red tape as and when it happens. Via our instant emailing facility, we will keep your business in touch with alterations to relevant legislation that your business ought to be aware of.

Optional Legal Services

LIVE Legal Document Max Live

To give your business total peace of mind, our optional on-line "Live" service enables you to have your documents reviewed by a qualified team, ensuring everything is legally compliant. Consequently, your business will be able to resolve many legal issues at the touch of a button.

- A qualified legal team is on hand to ensure legal documents are correct and provide maximum impact and security for your business.
- Complete reassurance when your business needs legal documents checked for accuracy.

To see how easy this optional service is to use, visit www.arag.co.uk/busvid – you won't be disappointed.

Consultancy Services

Employing full-time professionals can be costly, but by accessing a team of skilled consultants on an "as and when" basis, your business can benefit from a flexible, cost-effective service. When you need experts, we can offer professional assistance in matters relating to:

- Employment
- Health & Safety
- Tax

One call is all it takes.

Additional Legal Services

Essential Business Legal caters for many of the legal issues affecting a business. However, if your business does have specific sector requirements, and specialist "one-off" assistance is required, we will search for the appropriate professional, and pass details to you, helping you save time and resource.

Your Legal Cover

Automatic Legal Cover

Employment Protection and Compensation Awards

With ever-increasing employment legislation and in many cases, unlimited awards being the ultimate sanction, your business needs to avoid any protracted and costly disputes with employees, either past, present or prospective. Sex, race, disability and age discrimination, unfair dismissals, and breach of contract are just a few of the problems a business can be faced with in this complex area of law.

- Providing there are prospects of defending a claim, **Essential Business Legal** will not only pay the legal costs, but also compensation awarded against your business.
- We will provide cover of up to £1,000,000 compensation in aggregate in any one year awarded by a tribunal, or in an out of court settlement.

Tax Protection

Investigations by HM Revenue & Customs (HMRC) into your organisation's tax affairs can be lengthy and expensive. Our aim is to help minimise the cost to your business by appointing appropriate tax experts to deal with HMRC's enquiries. They can then also ensure that what your company pays as a result of an investigation is accurate in every way. We will appoint a tax expert to deal with HMRC following a formal aspect or full enquiry into your business' tax affairs.

- The service also covers appeals relating to Corporation Tax, VAT, PAYE, Social Security and National Insurance Contributions following an assessment.
- Investigations into the personal tax affairs of directors and/or partners are also covered.

Property Protection

Nuisance, trespass or damage to your property by a third party could result in a substantial strain on your business. Taking action swiftly and effectively is therefore essential to maintaining the smooth running of your organisation.

- We assist in pursuing a legal claim against such a party which can even extend to obtaining a court injunction to protect your key assets.
- We will also pursue an action against somebody who causes damage to a motor vehicle owned by the business providing the accident occurs away from the company's premises.

Compliance and regulation

More and more companies and company directors are facing criminal charges brought by the police, the Health & Safety Executive, local authorities and other bodies with the power to prosecute. We can help to provide peace of mind, not just to the business, but also to those who hold responsible positions, by providing the appropriate expertise needed. Cover also extends to defending most business-related motoring prosecutions. Your organisation may also need assistance in dealing with its industry's regulatory bodies.

- In the event of any dealings with the police or the Health & Safety Executive, cover is effective even prior to any notice of intended prosecution being issued.
- We will provide representation at a formal civil investigation or disciplinary hearing brought by any trade association, professional or regulatory body to which the company belongs.
- If your business depends on a statutory licence which is subsequently refused, suspended or revoked by the issuing authority, we will provide appropriate representation at any related hearing.

Employees' Extra Protection

Your company cannot function without its workforce, particularly those empowered to make decisions. In many cases, the verbal pledge of support from the business in the event of a claim against an employee being made is not enough – we can however provide tangible and direct all-round support for employees in such circumstances.

- We will arrange and pay for representation and therefore provide peace of mind to any employee who, during the course of their work with you, faces a discrimination claim relating to disability, sexual orientation, age, religious belief, political opinion, sex, or race.
- We can also help defend an employee who is a pension fund trustee, should a case be brought against them.

Optional Legal Cover

Contract and Debt Recovery

When a customer or supplier doesn't fulfil a contractual agreement, severe cash-flow problems and other adverse consequences could occur through no fault of the business. In such circumstances quickly obtaining the best appropriate legal resources is vital.

- We can help the business achieve redress quickly and effectively by working with you to fully assess the prospects of a claim succeeding, and to then agree, via our appointed experts, the most appropriate method for resolving the matter in your best interest.
- For cases in England and Wales falling outside of the small claims court, cover is limited to your appointed advisor's costs. In such circumstances, once reasonable prospects of your claim succeeding have been established, the appointed advisor will arrange a separate appropriate after-the-event insurance policy at no additional cost to the business.

Limit of Indemnity

The maximum amount payable for any single claim is normally £100,000. Other limits are available upon request.

Excess

A compulsory excess applies to the Contract & Debt Recovery section, as well as for Aspect Enquiries under the Tax Protection section. A voluntary excess may however be taken in return for a reduction in premium.

Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE)

Any claims falling under the TUPE Regulations are excluded under our standard cover. Should however the business require cover for TUPE related claims, this can usually be arranged for an additional premium.

Choice of Appointed Advisor

Under our standard terms and conditions, we will normally appoint an advisor chosen from our panel. Should your business wish to have a different solicitor or accountant always appointed in the event of a claim, this can be arranged for an additional premium.

Landlords' Cover

Should the business be involved in the letting or leasing out of property, cover for related disputes can be arranged for an additional premium.

After-the-Event Cover

If you haven't taken our optional legal cover, or you have some other dispute that needs to be insured, it still may be possible to purchase cover to pursue or defend a dispute. We will consider individual requests upon application.

Our Aim to Provide the Total Legal Solution

If your organisation has additional needs that ought to be met, we will consider individual requests upon application.

Essential Summary of Cover

What is Essential Business Legal?

Essential Business Legal is a product that provides legal services and insurance. It will cover the legal costs if your company, including any subsidiary and/or associated company is involved in certain legal disputes. The policy is administered by ARAG plc, and underwritten by Brit Insurance Ltd.

Essential Business Legal also provides access to a 24 hour, 365 day legal helpline, and a document service for the downloading of legal documents related to your business activities.

Legal & Tax Advice

In the event of a legal or tax problem we would strongly recommend that you initially take advantage of our confidential 24 hour legal and tax advice service which we provide to you as part of this policy; the only cost to you is a standard rate call. The advice covers any business legal or tax matter and you can use this service as often as you like. Your query will be dealt with by a suitably qualified specialist experienced in handling a range of legal and tax related matters.

You can get advice by telephoning 0870 787 6859. Use of this service does not constitute reporting of a claim.

Counselling Assistance

In the event of an individual needing confidential help and advice, our counsellors are available 24 hours a day, 365 days of the year. They are available to provide support on any matter that is causing your employee upset or anxiety, from gambling to bereavement. Assistance is available by telephoning 0870 787 6860.

How to make a claim

In the event that you need to make a claim, or are considering carrying out a redundancy, you should notify us as soon as possible. Under no circumstances should you instruct your own lawyer or accountant as we will not pay the costs incurred and it could invalidate your cover.

You can report your claim by telephoning 0117 917 1698 or on line at www.arag.co.uk/newclaims Please have your policy schedule to hand.

What happens next?

We will issue you with a written acknowledgement within one working day of receiving the claim. Within 5 working days of receiving all the information needed to assess the availability of cover under the policy, we will write to you either:

- appointing a suitably qualified representative who will promptly progress the claim for you; or
- if the claim is not covered, explaining in full why and whether we can assist in another way

What happens if the insurer cannot meet its liabilities?

The Insurer, Brit Insurance Limited is covered by the Financial Services Compensation Scheme ("FSCS"). You may be entitled to compensation from the scheme in the unlikely event that the Insurer cannot meet its liabilities. This depends on the type of business and the circumstances of the claim. Further information about compensation scheme arrangements is available from the FSCS.

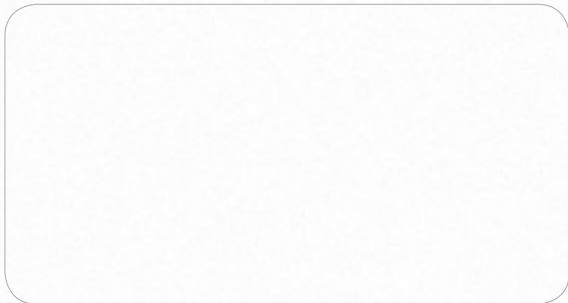
Significant Features & Benefits	Significant Exclusions or Limitations	Policy Section
The Insurer will pay the Insured's Legal Costs & Expenses (and Compensation Awards under Insured Event 2) up to the Limit of Indemnity, including the cost of appeals for claims reported during the period of insurance for the following Insured Events	<ul style="list-style-type: none"> • it must always be more likely than not that the claim will be successful. It must also be reported to us immediately after the Insured first becomes aware that a claim has occurred • the Insured must always use the Appointed Advisor nominated by us, prior to the issue of proceedings or in any claim falling under the jurisdiction of an Employment Tribunal or the Small Claims Court • Legal Costs, Expenses, and Compensation Awards incurred prior to the acceptance of a claim 	WHAT IS INSURED 3) 4) WHAT IS NOT INSURED 1.
Employment We will cover an employment dispute with a past, present, or prospective employee, arising from a contract for services and/or statutory employment rights	<ul style="list-style-type: none"> • any redundancy-related claim occurring within 180 days of you taking out this policy • any dispute relating to a transfer under TUPE • any dispute or related costs occurring prior to the conclusion of the relevant grievance/ disciplinary procedures 	What is not insured under Insured Event 1 1. 2. 3.
Employment Compensation Awards We will pay a basic and compensatory award made against you by a tribunal, damages ordered by a court against you, or an amount agreed by us in settlement of a dispute	<ul style="list-style-type: none"> • any claim for redundancy where you have not sought our prior advice • any award arising from trade union activities • money due to an employee under a contract of employment 	2 EMPLOYMENT COMPENSATION AWARDS (ii) What is not insured under Insured Event 2 1. 2.
Tax Protection We will cover a formal aspect or full enquiry into your business tax affairs, and appeal proceedings following an assessment by HM Revenue & Customs relating to VAT	<ul style="list-style-type: none"> • an investigation by the Special Civil Investigation Office or the Special Compliance Office of HM Revenue and Customs • any claim where you have not complied with statutory timescales • the first £250 of any claim relating to a formal aspect enquiry 	What is not Insured under Insured Event 3 1. 4. 3 TAX PROTECTION 2.
Property We will cover an event which causes or could cause physical damage to your property, public or private nuisance or trespass, and recovery or repossession of property from an employee or ex-employee	<ul style="list-style-type: none"> • any claim where a contract exists between you and the third party • defending a claim brought against you unless defending a counter-claim 	What is not Insured under Insured Event 3 1. 2.
Compliance & Regulation We will cover claims regarding the suspension, revocation or refusal to renew your statutory licence, an event leading to the Insured being prosecuted in a court of criminal jurisdiction, and defence of a civil action brought under the Data Protection Act 1998		
Employees' Extra Protection We will cover the defence of an employee in civil proceedings brought for unlawful discrimination, or as a trustee of the company pension fund, or the pursuit of a personal injury claim by an employee or a member of their family		
Legal Document Max You are entitled to download legal documents from our website to assist with day-to-day issues that affect your business	<ul style="list-style-type: none"> • documents are restricted to business matters 	
Legal & Tax Advice The company is entitled to use the helpline service 24 hours a day, 365 days of the year	<ul style="list-style-type: none"> • we will not put any advice in writing • advice will be restricted to business matters 	
Counselling Assistance The Insured is entitled to use the counselling service 24 hours a day, 365 days of the year		
Contract & Debt Recovery (optional) We will cover contract disputes and debt recovery actions relating to the purchase, hire, hire purchase, lease, servicing, maintenance, testing, sale or provision of goods or services, providing the amount in dispute exceeds £200	<ul style="list-style-type: none"> • you are responsible for the first £500 if the amount in dispute exceeds £5000 • computer systems which have been tailored to your requirements • the sale or purchase of any land or buildings • financial products • if the claim occurs in England & Wales and falls outside the jurisdiction of the Small Claims Court, cover is limited to own side's costs only and the insured must enter into a conditional fee agreement with the Appointed Advisor, or the Appointed Advisor must enter into a collective conditional fee agreement with us 	7. CONTRACT & DEBT RECOVERY b) What is not insured under INSURED EVENT 7 1. 4. 5. MEANING OF WORDS & TERMS Legal Costs & Expenses 2) WHAT IS INSURED 6)
Legal Document Max Live (optional) Downloaded documents are reviewed by a solicitor. This service is telephone and web-based	<ul style="list-style-type: none"> • documents are restricted to business matters 	
	Territorial Limit The United Kingdom, Channel Islands and the Isle of Man, except for Contract & Debt Recovery and Compliance & Regulation where cover extends to the European Union Limit of Indemnity The maximum the Insurer will pay Period of Insurance 12 months from the start of the policy	MEANING OF WORDS & TERMS MEANING OF WORDS & TERMS MEANING OF WORDS & TERMS

ARAG plc Registered in England number 02585818.

Registered office: Suite 12a, Froomsgate House, Rupert Street, Bristol BS1 2QJ.

ARAG plc is authorised and regulated by the Financial Services Authority, registration number 452369 and this can be checked by visiting the FSA website at www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234.

ARAG plc is covered by the Financial Ombudsman Service.



www.ARAG.co.uk

