

Lexelle Product Value & Oversight Summary

This Lexelle Product Value & Oversight Summary is a document for our brokers & partners to demonstrate the value of our product to their customers, our target market and our distribution strategy. It also includes an overview of our Product Oversight and Governance framework.

Insurer / Carrier Name	Financial & Legal Insurance Company Limited
Product Name	Family Legal Expenses Insurance
Roles and Responsibilities	Lexelle Ltd is co-manufacturer with the insurer for this product.
Distribution	The Lexelle Family Legal Expenses Insurance is sold through FCA regulated brokers and authorised intermediaries. The product is available on a standalone basis or add on to a household insurance policy.
Reference/UMR [Binder]	FLEI / 12 / 2021
Reference [Class of Business]	Legal Expenses Insurance
Date of review	25/03/2024

Product Information

Product Design & Description	The Lexelle Family Legal Expenses Insurance product is designed to provide a customer and their family with a range of legal help and support. It can also fund legal costs if they are faced with a dispute relating to their home, their employment, a personal injury, buying or hiring goods or services. Additionally, it also provides customers access to expert legal advice to guide them through legal situations and help them understand their rights and position with regards any personal legal issues they may have. For more information regarding potential coverage please see below. The net premium charged by Lexelle Ltd, reflects the risks and expenses associated in providing the Lexelle Family Legal Expenses Insurance product to our brokers and authorised intermediaries.
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Product Coverage	<p>The Lexelle Family Legal Expenses Insurance product is for a duration of 12 months and covers any family member that resides with the policyholder at their principal home.</p> <p>The typical areas available for cover are:</p> <ul style="list-style-type: none"> • 24/7 Free Legal Advice Line. • Personal Injury. • Employment Disputes.
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Lexelle offers an end-to-end solution; manages manufacturers, delivers distribution and provides a full comprehensive claims service.

	<ul style="list-style-type: none"> • Criminal Prosecution Defence. • Tax Protection. • Jury Service • Probate. • Contract Disputes. • Property Protection. • Home Sale / Purchase. • Travel Consumer Disputes. • Education, (admission appeals). • Identity Theft. • Social Media Defamation. <p>Important Note: The levels of cover and maximum claim limit(s) provided on a family legal expense insurance policy can vary between selling agents or authorised intermediaries. This can be due to targeting different profiles of customer or for pricing considerations, (e.g. to keep the retail price to the customer at a lower price point). Please refer to the specific Lexelle policy documentation we have supplied for more information about the cover and policy we have provided you.</p>
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Customer / Market

Target Market	<p>Our target market is for customers who are 18 years of age or older who are:</p> <ul style="list-style-type: none"> • Permanent residents of the UK. • Homeowners. <p>Cover includes any family member that resides with the policyholder.</p> <p>We also offer additional variants of legal expenses for customers who</p> <ul style="list-style-type: none"> • Live-in rented accommodation; or • Own a 2nd residential property excluding let; or • Own a 2nd residential property including let (but not let for periods exceeding 28 days); or • Own an unoccupied residential property.
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Type of Customer for whom the product would not be suitable	<p>This product is not designed for customers:</p> <ul style="list-style-type: none"> • Who don't live in the UK. • Who are under 18 years old.
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	<ul style="list-style-type: none"> • Where their personal circumstances are not suitable for the available cover sections eg a retired customer will not receive any benefit under the employment section of cover, however a family member could if employed.
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Claim Characteristics

Value to Customers	<p>The claim characteristics of a family legal expenses insurance scheme differs slightly from general insurance products like motor or home insurance. Typically, the claims frequency rate tends to be lower, but the true individual claim cost can be relatively high. The frequency rate tends to be lower due to the claims being assessed on whether they have a reasonable prospect of success, (usually greater than 51%), and therefore this increases the proportion of claims rejected. However, when a claim does have prospects of success the legal costs that can be incurred can be substantial hence the product's high indemnity limits.</p> <p>Furthermore, the overall outcome after a successful claim can have significant value beyond paying the legal costs to policyholders, for example, a claim covered under the employment disputes section of cover could have funded the legal fees for a policyholder to achieve a successful outcome in an unfair dismissal employment tribunal.</p> <p>Another benefit which is common to legal expenses policies is the provision of a free legal advice helpline which provides legal advice for a policyholder to identify any legal issues they may have, consider their legal rights and what courses of action are available and whether they should consult a solicitor. Typically, such calls to the helpline are not recorded as claims against the policy but still provide significant value to policyholders.</p>
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Any notable exclusions or circumstances where the product will not respond	<p>Please refer to the “What is not insured?” section in the Insurance Product Information Document, (IPID).</p> <p>The main exclusions are:</p> <ul style="list-style-type: none"> • Personal Injury caused in a road traffic accident. • Criminal prosecution defence involving a motor vehicle. • Tax Protection related to earnings outside contracted employment. • Contract disputes or Property Protection relating to a building or land other than main residence. • Probate where the deceased did not make a will or a will cannot be traced.
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Product Oversight and Guidance

<p>Ongoing Product Assessment – Product Oversight & Governance</p>	<p>The Lexelle Family Legal Expenses Insurance product is reviewed continuously by Lexelle Ltd as part of a formal monthly governance Operations Management Meeting which incorporates reviews of:</p> <ul style="list-style-type: none"> • Sales & Marking Information / data. • Compliance & Risk Management information / data. • Products & Pricing Governance and Oversight. • Conduct risk data analysis. • Claims and complaint analysis. • Quality Assurance Audits. <p>The outcome of these reviews is to always ensure the legal expenses product continues to be fit for purpose and holds fair value to the policyholder. Furthermore, it makes sure there are no conflicts of interest or areas of detriment to the policyholder in the distribution activity. If any issues or improvements are identified in such reviews, they will be implemented as soon as practically possible.</p> <p>Additionally, Lexelle Ltd supports our brokers & partners by providing an online training portal for all our current products at www.lexelle.com.</p>
<p>Fair Value Assessment Statement</p>	<p>This product has been subject to Lexelle’s Product Oversight and Governance process and has been reviewed and signed off by Lexelle Management as representing fair value to customers.</p>
<p>Date Fair Value assessment completed</p>	<p>11/04/2024</p>
<p>Expected date of next assessment</p>	<p>April 2025</p>