

# Essential Business Legal



# Why you need Essential Business Legal

Your business faces many challenges daily and from time to time unforeseen problems emerge. Essential Business Legal provides professional legal and financial support. For example, you can get a legal healthcheck, keep up to date with health & safety legislation, get access to free employment documentation and other business documents.

## What we cover

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

- you need expert legal advice quickly
- you receive notice of an enquiry into your tax or VAT returns
- a Health & Safety inspection ends with a threat to prosecute your business

## Why choose ARAG?

We are part of ARAG SE, the largest family-owned enterprise in the German Insurance industry. Founded in 1935, on the principle that every citizen should be able to assert their legal rights, ARAG now employs 4,000 people around the world and generates premium income in excess of €1.8 billion. Our UK operation provides a nationwide service from our Bristol Head Office. We provide innovative and affordable products to companies and their directors and partners.

We are committed to providing our customers with legal advice and representation throughout a legal problem.

We recognise that we will only grow by ensuring that we provide excellent products and an outstanding service to our customers.

*Expertise when you need it most.*





## What is covered?

The summary table on pages 5, 6 and 7 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.

## Compliance & regulation

Businesses, as well as their directors face ever increasing burdens from regulatory and professional bodies. We can help if the insured's business is investigated by a regulatory body or if the insured has 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 decision of a licensing or other authority, to change the terms of, suspend, or revoke your business licence or compulsory registration.

## Tax disputes

No business welcomes an unexpected visit from the taxman and any investigation by HM Revenue & Customs is likely to be lengthy and expensive. Our tax advisors will represent the insured's business if a dispute arises following a compliance check by HMRC. They will also deal with HMRC if there is an enquiry into the insured's business. Directors and partners of the business are also covered if there is an investigation into their personal tax affairs.

## Legal defence

All business must operate within a complicated framework of legislation. Our legal services website can help the insured to remain compliant and we will also pay the legal costs to defend the insured's business in the event of a criminal investigation or prosecution, including motoring offences.

## 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.

# Important information

## Legal advice and tax helplines

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

## Legal services website

The policy unlocks free access to our Business legal services website, which allows you to create many online documents and guides which can help your business. Business legal services offers a wide range of documents from employment contracts and settlement agreements to leases and Health & Safety statements.

For a small additional charge the insured can have complex documents checked by a solicitor.

Once the insured is registered to use the site we will keep in touch to let them know about forthcoming changes that may affect the insured.

## Important conditions

The insured must always contact us first before appointing a solicitor or accountant to act for them. If the insured fails to do this they may prejudice their position and the insurer will not pay costs they have already incurred.

When we receive the insured's claim we will have it assessed for reasonable prospects of success. Provided that the event is covered by the policy and their claim is more likely than not to succeed, we will help the insured under the terms of the masterpolicy.

We will recommend mediation to resolve the insured's dispute where appropriate or we will appoint a solicitor or an accountant to act for the insured 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.

## 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 without telling **us**, they will be liable for costs that are not covered by this policy **insured**
- 3) A claim form can be downloaded at [www.arag.co.uk/newclaims](http://www.arag.co.uk/newclaims) or requested by telephoning **us** on **0330 303 1955** between 9am and 5pm weekdays (except bank holidays).
- 4) The completed claim form and supporting documentation can be sent to **us** by email, post or fax. Further details are set out in the claim form itself.

### What happens next?

- 1) **We** will send the **insured** a written acknowledgement by the end of the next working day after receiving their claim form.
- 2) Within five working days of receiving all the information needed to assess the availability of cover under the policy **we** will write to the **insured** either:
  - a) confirming cover under the terms of this 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 why and advise whether **we** can assist in another way
- 3) When a representative is appointed they will try to resolve the **insured's** dispute without delay, arranging 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 timescale is decided by the courts.

## What happens if the insurer cannot meet its liabilities?

The insurer is covered by the Financial Services Compensation Scheme (FSCS). The insured may be entitled to compensation of up to 90% of the cost of their 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](http://www.fscs.org.uk).



## Summary table

The tables on the next pages show a summary of cover. For full terms and conditions of the policy, please read the policy wording.

Significant features & benefits	Significant exclusions or limitations
<p>The insurer will pay legal costs &amp; expenses up to the sum shown in the insured's policy schedule including the cost of appeals for the following:</p>	<ul style="list-style-type: none"> <li>• It must always be more likely than not that your claim will be successful.</li> <li>• 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.</li> <li>• Unless there is a conflict of interest we will choose an appointed advisor until proceedings need to be issued or in any claim dealt with by an Employment Tribunal or the small claims court.</li> <li>• Legal costs, expenses, and compensation awards incurred before we accept a claim.</li> <li>• Costs in excess of what would have been paid to a solicitor on our panel if the insured chooses to use their own representative</li> </ul>
<p><b>1) Tax disputes</b> An HMRC compliance check, formal enquiry into the insured's business' tax or dispute about VAT, including an appeal. Directors and partners of the business are covered if their personal tax affairs are investigated.</p>	<ul style="list-style-type: none"> <li>• Any claim which the insured have been careless or have not met legal timescales.</li> <li>• An investigation by the Fraud Investigation Service of HM Revenue and Customs.</li> <li>• Tax avoidance.</li> </ul>
<p><b>2) Legal defence</b> We will defend the insured</p> <ul style="list-style-type: none"> <li>• in an investigation that could lead to prosecution</li> <li>• if criminal proceedings are brought.</li> </ul> <p>Cover for motor-related prosecutions is included. Directors and/or partners are covered to defend motor prosecution whether or not they relate to the business.</p>	<ul style="list-style-type: none"> <li>• parking offences.</li> </ul>
<p><b>3) Compliance &amp; regulation</b> Appeal against a statutory notice issued against the insured's business, or defence of a civil action brought under the Data Protection Act.</p>	<ul style="list-style-type: none"> <li>• Pursuing an action other than an appeal.</li> </ul>
<p><b>4) Disciplinary hearings</b> Representation for the insured at hearings brought General Chiropractor Council.</p>	
<p><b>5) Coroner's inquest or fatal accident hearings</b> Representation for the insured at an Inquest or Fatal Accident Inquiry resulting from their professional practise where their attendance as in "interested person" or witness has been advised or required.</p>	
<p><b>6) Statutory licence appeals</b> An appeal against a decision to alter, suspend, revoke or refuse to renew a statutory licence or registration.</p>	
<p><b>7) Loss of earnings</b> The insurer will pay loss of earnings if an insured has to attend court or tribunal for a claim under this masterpolicy or because they are called for jury service.</p>	<ul style="list-style-type: none"> <li>• Any sum which can be recovered from the court or tribunal.</li> </ul>

<p><b>Legal &amp; tax advice helpline</b> Access by phone to legal and tax experts for UK and EU-wide legal advice and UK tax advice.</p>	<ul style="list-style-type: none"> <li>• Advice will not be put in writing.</li> <li>• Advice is restricted to business legal matters.</li> <li>• Advice on UK tax law is available Monday to Friday between 9am and 5pm (except bank holidays).</li> <li>• We cannot advise on financial planning or financial service products.</li> <li>• Services are subject to fair and reasonable use.</li> </ul>
<p><b>Counselling assistance</b> 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.</p>	<ul style="list-style-type: none"> <li>• Services are subject to fair and reasonable use.</li> </ul>
<p><b>Business legal services website</b> Register using your voucher code to download legal documents that can assist with day-to-day issues that affect your business.</p>	<ul style="list-style-type: none"> <li>• Documents are for business use.</li> <li>• Some documents only apply for England &amp; Wales.</li> <li>• Many documents are free while others attract a modest charge.</li> <li>• Legal review services are subject to a fee.</li> </ul>
	<p><b>Territorial limit</b> The UK, Channel Islands and the Isle of Man, except for Legal defence where cover extends to EU countries, Norway and Switzerland.</p> <p><b>Period of insurance</b> Unless otherwise agreed the period of insurance shall be for twelve months.</p> <p><b>Legal costs &amp; expenses</b></p> <ul style="list-style-type: none"> <li>• Reasonable costs incurred by the appointed advisor</li> <li>• The other side's legal costs</li> <li>• Basic wages and salary in respect of Loss of Earnings cover</li> <li>• Fees for Intervention</li> </ul>

## 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:



**0117 917 1561** (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, 9 Whiteladies Road, Clifton, Bristol, BS8 1NN.**

### 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) provided that it falls within their jurisdiction. From 1 April 2019 the FOS will normally deal with complaints from small business with an annual turnover of less than £6.5million and which either; have up to 50 employees, or a balance sheet threshold of £5million. 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](http://www.financial-ombudsman.org.uk)

The FOS's decision is binding upon the insurer, but you are free to reject it without affecting your legal rights.