



## Why you need Essential Business Legal Solutions

Whatever the economic climate it's always a challenge running a business, from keeping up with the latest employment and Health & Safety legislation, to resolving problems with suppliers or receiving an unexpected visit from the taxman.

*Expertise when you need it most.*

### 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 following a product recall which threatens to damage your reputation and you need PR advice.

### Why choose ARAG?

Our UK operation provides a nationwide service from our Bristol Head Office. We are part of ARAG SE, a global leader in legal expenses insurance which generates annual premium income in excess of €1.5billion.

It has always been our vision to enable everyone, not just those that can afford it, to assert their legal rights. With this aim in mind 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.



# Your Cover



## 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.

## 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 documents from our on-line legal services website. Once you have registered to use the site we will keep in touch to let you know about forthcoming changes that may affect you.

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 in a range of employment disputes. We will also pay tribunal fees and compensation awarded against you provided that there is a reasonable prospect of your defence being successful.

## 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. Such contracts can be tricky to draft correctly and legal disputes are likely if a mistake is made. Our cover will pay the costs involved in resolving legal disputes that arise from your restrictive covenants.

An employment contract that includes a restrictive covenant is available to download for free on our legal services website and the website also provides guidance notes.

## Tax protection

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

## Property protection

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. We will pay for the legal costs of protecting your rights and claiming compensation if necessary.

## Legal defence

All business must operate within a complicated framework of legislation. Our legal services website can help you remain compliant and we will also pay the legal costs of defending your business from criminal prosecutions, including motoring offences.



## Compliance & regulation

Businesses, as well as their directors face ever increasing regulatory burdens from licensing bodies, governmental and professional bodies as well as local authorities. We will appeal against statutory notices issued against you or defend your business against any civil action brought under the Data Protection Act. We can also help if your business is investigated by a regulatory body or if you have to attend a professional or regulatory disciplinary hearing.

## Crisis communication

In an increasingly media orientated world, adverse publicity can have a devastating financial impact on your business. We will pay up to £10,000 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 and customers or suppliers.

## Example of when we can help



## Employment protection

After following the correct procedure our insured dismissed an employee on the grounds of gross misconduct. Although the dismissed employee did not appeal within the given time, our insured was later notified by an employment tribunal that the former employee was claiming for unfair dismissal. Our insured contacted us and we instructed a specialist solicitor to defend the claim. The matter proceeded to a hearing where our insured was successful and the claim dismissed. We paid the solicitor's fees of £2,500.

*It has always been our vision to enable everyone, not just those who can afford it, to assert their legal rights.*

# Important Information

## Helplines

You can call our legal advice line and get immediate advice on all legal problems affecting your business 24/7. You can also obtain tax related advice from our tax helpline or use our counselling line which is available to your workforce and their families.



## Legal services website

With your policy you get free access to our legal services website, which allows you to create many online documents and guides which can help your business with everything from employment contracts and settlement agreements to leases and health & safety statements. For a small additional charge you can have complex documents checked by a solicitor.

## 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 you have already incurred.

When we receive your claim we will always assess it for reasonable prospects of success. Providing the event is covered by the policy and your claim is more likely than not to succeed, we will appoint a solicitor to act for you.

We will always recommend mediation services where appropriate or a solicitor to act for you from our nationwide panel of specialist firms. Our firms are carefully selected based on their expertise and work under strict service standards. Firms are also audited regularly ensuring they provide the best possible service to our customers.

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

## Claims procedure

If you need to make a claim you must notify us as soon as possible.

1. Under no circumstances should you instruct your own solicitor or accountant as the insurer will not pay any costs incurred without our agreement.

2. You can download a claim form by visiting [www.arag.co.uk/newclaims](http://www.arag.co.uk/newclaims) or you can request one by telephoning us on 0117 917 1698 between 9am and 5pm Monday to Friday (except bank holidays).

3. You can send your completed claim form and supporting documents to us by email, post or fax. Further details are set out in the claim form itself. We will send you a written acknowledgment by the end of the next working day after the claim is received.

4. Within five working days of receiving all the information needed to assess the availability of cover under the policy, we will write to you either:  
a) confirming cover under the terms of your policy and advising you of the next steps to progress your claim;  
or  
b) if the claim is not covered, explaining in full the reason why and advising whether we can assist in another way.

5. When a representative is appointed they will try to resolve your dispute without delay, arranging mediation whenever appropriate. Matters cannot always be resolved quickly, particularly if the other side is slow to cooperate or a legal timetable is decided by the courts.

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

We have an agreement with Brit Syndicate 2987 at Lloyd's to provide the insurance under Essential Business Legal Solutions. They are 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 from at [www.fscs.org.uk](http://www.fscs.org.uk).

## Summary table

### 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 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 until proceedings need to be issued or in any claim dealt with by an Employment Tribunal or the small claims court.
- Legal costs, expenses, and compensation awards incurred before we accept a claim.
- Costs in excess of what would have been paid to 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 breach of employment laws.

- Pursuing an action other than an appeal.
- Any redundancy-related 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  
1. 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 the business interests or
- contain restrictions in excess of 12 months.

#### 4 Tax protection

An HMRC compliance check or formal enquiry into your business tax affairs or a dispute about VAT, including an appeal. Directors and partners of the business are covered if their personal tax affairs are investigated.

- 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
<p><b>6 Property</b></p> <p>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>Directors and/or partners are covered to defend a motor prosecution whether or not it relates to the business.</p>	<p>A parking offence.</p>
<p><b>7 Compliance &amp; regulation</b></p> <p>Appeal against a statutory notice issued against your 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> <li>• A Health and Safety Fee for Intervention.</li> </ul>
<p><b>8 Statutory licence appeals</b></p> <p>An appeal against a decision to alter, suspend, revoke or refuse to renew a statutory licence or registration.</p>	
<p><b>9 Loss of earnings</b></p> <p>The insurer will pay loss of earnings if an insured has to attend court or tribunal for a claim under this policy 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>10 Employees' extra protection</b></p> <p>Cover to:</p> <ol style="list-style-type: none"> <li>1. defend <ul style="list-style-type: none"> <li>- an employee in civil proceedings brought for unlawful discrimination, or</li> <li>- a trustee of the company pension fund;</li> </ul> </li> <li>2. pursue a personal injury claim by an employee or a member of their family that arises from your business activity or</li> <li>3. represent your directors and/or partners who have fallen victim to identity theft.</li> </ol>	<p>In respect of 10.b: A condition, illness or disease that gradually develops over time.</p>
<p><b>11 Crisis communication</b></p> <p>Access to professional public relations support and crisis communication services to manage adverse media publicity and reputational exposure.</p>	<ul style="list-style-type: none"> <li>• Matters that should be dealt with through your normal complaints procedures.</li> <li>• A matter that has not actually resulted in adverse publicity appearing online, in print or broadcast.</li> <li>• The maximum the insurer will pay is £10,000.</li> </ul>

**Significant Features & Benefits****Significant Exclusions or Limitations****Legal & tax advice helpline**

Access by phone to legal and tax experts for EU-wide legal advice and UK tax advice.

- We will not put advice in writing.
- Advice is restricted to business legal matters.
- 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 service products.
- Services are subject to fair and reasonable use.

**Crisis communication helpline**

You can use this helpline at any time for advice about negative publicity or media attention.

- Where your circumstances require professional work to be carried out in advance of any adverse publicity, such service are available subject to payment of a fee.

**Counselling assistance helpline**

Your employees can use this telephone service 24 hours a day, 365 days of the year.

Services are subject to fair and reasonable use.

**Redundancy approval**

We can arrange for specialist advice if you are planning redundancies.

- You have to pay the cost of this service.
- This service is available between 9am and 5pm on weekdays (except bank holidays).

**Commercial legal services website**

- Go to [www.araglegal.co.uk](http://www.araglegal.co.uk) and register using your voucher code to download legal documents that can assist with day-to-day issues that affect your business.
- Many documents offer legal review services.
- You can access our online law guide.

- Documents are restricted to business law.
- Some documents only apply for England & Wales.
- Many documents are free while others attract a modest charge.
- Legal review services are subject to a fee.

**Territorial limit**

The UK, Channel Islands and the Isle of Man, except for Legal defence, Compliance & regulation and Contract & debt recovery where cover extends to Norway, Switzerland and the EU.

**Period of insurance**

Unless otherwise agreed the period of insurance shall be for twelve months.

## What happens if I have a complaint?

### 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

Should you remain dissatisfied you may be entitled to pursue your complaint further with Lloyd's. They can be reached in the following ways:



**0207 327 5693, Fax: 0207 327 5225**



**complaints@lloyds.com Website: [www.lloyds.com/complaints](http://www.lloyds.com/complaints)**



**Lloyd's, One Lime Street, London EC3M 7HA**

### Step 3

If Lloyd's is 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. The FOS can normally deal with complaints from small businesses with an annual turnover of less than €2 million. They can be contacted at:



**0800 023 4567 or 0300 123 9123**



**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 out 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.

ARAG plc is registered in England number 02585818. Registered address: 9 Whiteladies Road, Clifton, Bristol BS8 1NN. ARAG plc is authorised and regulated by the Financial Conduct Authority firm registration number 452369. ARAG plc is authorised to administer this insurance on behalf of the insurer Brit Syndicate 2987 at Lloyd's (written under unique market reference B0356KA233D12A000 or replacement thereof). Brit Syndicates Limited, the managing agent for Brit Syndicate 2987 at Lloyd's, is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority. This can be checked by visiting the FCA website at [www.fca.org.uk/register](http://www.fca.org.uk/register) or by contacting the FCA on 0800 111 6768 (freephone), or 0300 500 8082.

ARAG plc and Brit Syndicate 2987 at Lloyd's are covered by the Financial Ombudsman Service.

[www.arag.co.uk](http://www.arag.co.uk)

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