

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	Unoccupied Residential Property Legal Expenses Insurance
Roles and Responsibilities	Lexelle Ltd is co-manufacturer with the insurer for this product.
Distribution	The Unoccupied Residential Property 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]	UPLEI / 09 / 2020
Reference [Class of Business]	Legal Expenses Insurance
Date	16-02-2022
Date of review	17-04-2023

Product Information

Product Design & Description	<p>The Unoccupied Residential Property Legal Expenses Insurance product is designed to provide a customer who owns an unoccupied residential property, with a range of legal help and support. It can also fund legal costs if they are faced with a dispute relating to their unoccupied residential property. 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 Unoccupied Residential Property Legal Expenses Insurance product to our brokers and authorised intermediaries.</p>
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Product Coverage	<p>The Lexelle Unoccupied Residential Property Legal Expenses Insurance product is for a duration of 12 months.</p> <p>The typical areas available for cover are:</p> <ul style="list-style-type: none"> • 24/7 Free Legal Advice Line. • Pursuit of physical damage, nuisance or trespass, or regain possession or evict anyone residing there without the policyholders permission. • Criminal Prosecution Defence. • Contract Disputes.
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Lexelle Ltd offers an end-to-end solution; manages manufacturers, delivers distribution and provides a full comprehensive claims service.

	<p>Important Note:</p> <p>The levels of cover and maximum claim limit(s) provided on a 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. • An owner of unoccupied residential property in the United Kingdom.
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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. • Who own an occupied residential property.
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Claim Characteristics

Value to Customers	<p>The claim characteristics of a Lexelle Unoccupied Residential Property 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, achieving a successful eviction of someone from the insured property, (including squatters), which results in the policyholder regaining possession of their property.</p>
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	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.
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Any notable exclusions or circumstances where the product will not respond	Please refer to the “What is not insured?” section in the attached Insurance Product Information Document, (IPID).
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Product Oversight and Guidance

Ongoing Product Assessment – Product Oversight & Governance	<p>The Lexelle Unoccupied Residential Property 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. <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>
Fair Value Assessment Statement	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.
Date Fair Value assessment completed	24-04-2023
Expected date of next assessment	April 2024

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