



# Fair Value Assessment

Loss Assist

Product Manufacturer	'ARAG Legal Expenses Insurance Company Ltd ('ARAG')'
Date of assessment	June 2025
Due date of next assessment	June 2026
Is the product providing Fair Value?	Yes

# Fair Value Assessment

Loss Assist (Commercial)

ARAG

## Product Information

### Target market

Loss Assist is targeted at businesses wishing to get support from a specialist Loss Adjustor should the business need to make a claim for business interruption or material damage to property of at least £5,000, or more than the commercial policy excess, whichever is the greater.

### Types of customer for whom the product would be unsuitable

Personal customers – this product supports commercial claims

## Distributor Product Information

ARAG provides Distributor Product Information on:

- Target market
- Roles and Responsibilities
- Types of customers for whom the product would be unsuitable
- Any notable exclusions where the product will not respond
- Other information which may be relevant to distributors

As a distributor we remind you of your responsibility in relation to the Fair Value of the ARAG products that you distribute. Examples of distributor influences on Fair Value include but are not limited to;

Remuneration – high commission levels or fees may reduce the value of this product for the customer.

Duplicate product sales – sales where the customer may have cover elsewhere and are therefore unable to fully utilise the ARAG product would negatively impact value.

Sales to ineligible customers and sales to customers outside of the product target market would lead to poor value for those customers

## Product Approval Process

Products will be reviewed at least every 12 months or more frequently if any concerns are highlighted. We have the following areas of accountability:

The Product Governance Team provide product oversight and are responsible for Product Reviews and Fair Value Assessments.

Technical and Trading Underwriting conduct technical performance reviews which form part of the ARAG Product level review.

The Product Governance Forum provides approval and oversight for new products, product development and ongoing approval of existing products via the Product Review Process.

**Product reviews *monitor fair value* with oversight and *annual reviews* to assure ourselves of *good customer outcomes*.**



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## Fair Value Assessment and Customer Outcome Monitoring

In accordance with the FCA PROD 4.2 a customer Fair Value Assessment has been undertaken for Loss Assist. The intended product value is to enable customer's access to a Loss Adjustor to support the customer in preparing their claims case for assessment by their commercial insurance policy underwriter. The service aims to support the customer in maximising the claims pay out for an insured incident. Our Fair Value Assessment and Product Review are designed to ensure that this value statement remains true.

Our Fair Value Assessment, market research and Product review are all designed to ensure that this value statement remains true. The FVA and Product Review ensure both qualitative and quantitative analysis form part of our value assessment with data thresholds reviewed annually.

### The following data items were assessed:

- Sales outside of eligibility
- Claims accepted, claims declined and gross claims frequency
- Average cost, percentage of premium paid out in claims and commission
- Servicing including complaints

### Outcome 1 - Products & Services

The review concluded that the distribution strategy remains appropriate when considering target market and customer value.

Acceptance rates are very high, illustrating that claims are being approved and the products design meets the needs of the customer.

### Outcome 2 - Price & Value

Our analysis confirmed the product provides fair value for customers

### Outcome 3 - Customer Understanding

We communicate with customers in a way that allows them to understand the next steps and make effective decisions throughout the claims journey.

### Outcome 4 - Customer Support

No complaints were reported during the period, indicating customer satisfaction and demonstrating that accessible and timely support is being effectively provided. This further suggests that the product aligns well with customer expectations and needs.

The Product Review and Fair Value Assessment confirms that the product provides fair value to customers and will continue to do so for the foreseeable future.

It's important to note that due to the size and scale of our business and product range our FVA's have been completed at a product level; this has involved a review of the performance of all distribution within the product class, which is bound by our Target Market definition.

**Does our Loss Assist product provide fair value? *Yes***

**Ensuring fair value and customer satisfaction through *reviews, data analysis, and continuous improvement efforts.***







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