

European Motor Breakdown Solutions

The ARAG logo is a yellow circle with a black border, containing the word "ARAG" in black, bold, uppercase letters. It is positioned in the top right corner of the page, partially overlapping a yellow decorative shape.

Target Market Statement

Product Description

European Motor Breakdown Solutions provides 24/7 access to an emergency assistance helpline which can arrange for a quality-assured recovery operator to provide assistance if your customer's vehicle breaks down unexpectedly because of:

- an electrical or mechanical failure
- a flat battery
- a puncture
- damage caused by a collision or vandalism (if your customer's motor insurance policy will not cover them for assistance)
- lack of fuel or misfuelling.

The policy pays:

- The recovery operator's call out and emergency repair costs up to the sum stated in the policy.
- Up to one hour's labour at the scene of the breakdown.
- Recovery of your customer's vehicle to a local garage if it cannot be repaired at the roadside.
- If the repair cannot be carried out the same day, the cost of transporting your customer's vehicle and their passengers home, or if they would prefer and it is closer, your customer's original destination.
- Alternative transport costs and overnight accommodation.

Alternative transport following the theft of your customer's vehicle can also be arranged.

Product Governance Process

ARAG operate a robust sign off process for all new products and material product changes, with the following areas of accountability.

- Product Development Team produce technical performance reviews at product and thematic level. This work informs pricing and product content.
- Product Development Team conduct research and co-ordinate product launch/relaunch/change activity. The team drafts policy documentation, supporting literature and provides technical training.
- Product Development Team engage with stakeholders throughout the process.
- The Product Development Manager sits on the Conduct Risk Committee.
- Underwriting & Claims Committee provide approval of product development.
- Sales, Product & Innovation and Group Risk Management at ARAG Group (and other stakeholders) approve new product ideas/innovation.



Target Market Statement (continued)

- Products are also approved by our capacity Underwriters.
- Underwriting teams conduct technical performance reviews at account level.
- Claims audit teams audit external service providers.

Products are reviewed at regular intervals, scheduled based on a number of factors such as the size, scale, contractual duration and complexity of those insurance products, their respective distribution channels, and any relevant external factors such as changes to the applicable legal rules, technological developments, or changes to the market situation. Such reviews will be undertaken every 12 months or more frequently where the potential risk associated with the product makes it appropriate to do so.

Target Audience

European Motor Breakdown Solutions is designed for car and van drivers who are based in the United Kingdom, Channel Islands, Isle of Man and who are travelling for up to 90 days in the EU, Andorra, Cyprus, Gibraltar, Liechtenstein, Monaco, Norway, San Marino and Switzerland.

Eligibility

- Cover must be sold alongside a motor liability insurance policy.
- Customers must be domiciled in the United Kingdom, Channel Islands and the Isle of Man.
- Maximum period of insurances bound will be 12 months plus odd time not exceeding 18 months in total.
- Customers must hold a valid provisional or full driver's licence.
- The insured vehicle must be:
 - legally taxed and insured for the customer to drive
 - maintained in a roadworthy condition
 - of standard construction and suitable to be loaded onto a recovery truck
 - not exceeding 7 metres (23 feet) in length
 - less than 10 years old if your customer is seeking motor breakdown for trips within Europe but outside of the UK, Isle of Man and Channel Islands.

Types of customer for whom the product would be unsuitable

Standard European Motor Breakdown cover is **not suitable** for:

- Non-UK based risks

The addition of Motor cover must attach to the sale of an insurance policy.

Distribution Method

- Sold as an optional or bundled add-on to motor liability insurance.
- Embedded as a section of primary motor liability insurance product - either as an optional section or mandatory inclusion.
- Distributed through intermediaries (i.e. insurance brokers, MGAs or insurance companies).