



# DUAL Legal Indemnity & Title Insurance - Residential

## Fair Value Assessment

Target Market and Product Information

This information is for **broker use only** and **not intended for customer use**

<b>Product name:</b>	LEGAL INDEMNITY & TITLE INSURANCE - RESIDENTIAL
<b>Status:</b>	New Product Development <input type="checkbox"/>
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	Existing Product Refresh <input checked="" type="checkbox"/>
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	Product Change <input type="checkbox"/>
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	Other <input type="checkbox"/>

**Live date:** This product is an existing DUAL Asset product, available for new business and renewals.

**Product type description:** Legal indemnity and Title Insurance – Residential Properties.

Buying a property is rarely a simple process and many are affected by historic legal rights and/or restrictions. Documents may have been lost or works carried out without evidence of the correct compliance with legal regulation or permits. Old covenants may have been breached or manorial rights interfered with. These issues can delay or abort a transaction, creating issues in the chain.

In an ideal world, the legal representative should be able to deal with these issues, but they often take a long time, can be expensive and in the end, may never be completely resolved. Our policies provide protection against these issues, should they ever arise. Our dedicated claims team will take control of the problem and resolve it as quickly, efficiently and with as little stress as possible, if a claim does arise in the future.

**Characteristics and features of the product:**

- Most specific risk policies provide cover in perpetuity and for any onward purchasers, lessees, mortgagees and their successors.
- All risk policies wrap around the current transaction and protect the owner for as long as they own the property. In some cases, we can extend this to an onward purchaser, where assets will be quickly flipped on.
- Our policy wording has been designed to be easy to understand, whilst providing expansive and comprehensive coverage. We pride ourselves in our flexibility and our underwriters are always happy to amend policies as and where required to ensure clients obtain the right cover. We are always willing to look at innovative, bespoke solutions and custom wordings, unlike some traditional insurers.

Please ask for a copy of the policy wording for the full list of insured events.

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**What is covered?** - Broadly, cover is placed in two ways:

- Specific risk insurance – where your legal representative has identified a legal defect affecting the property, which needs to be removed/mitigated. Some of the most common risks include restrictive covenants, lack of easements/servitudes, missing documents, zoning or planning breaches, chancel repair or the mines and minerals under the land being owned by someone else. Most policies provide cover forever, unless specifically stated and will protect your bank, a future purchaser and anyone to whom you lease the property
- All risk insurance – Where there is no specific defect, but cover is required against a number of unknown risks. This is commonly used where the seller has little information regarding the property or to protect against risks that even the best conveyancer cannot detect – boundary disputes, seller misrepresentation and fraud, just to name a few. This cover provides the ultimate peace of mind, as it protects you from risks which your legal representative may not have been able to discover and protects what will probably be your most expensive ever purchase. All risks policies usually only cover the named insured, their lender and tenant for as long as they own or have an interest in the property.

**What is not covered?**

- Unless covered as a specific risk, known matters that already affect the title/ownership on the day the policy is issued, e.g. legal obligations, pre-emptions, leases, mortgages, rights of way, existing utilities
- Future events causing risks that didn't exist on the day the policy was issued
- Pollution and contamination
- War and terrorism
- Compulsory taking e.g. by a government (unless the legal process has started before the policy is issued)
- Risks that are insured by a household policy

Please ask for a copy of the policy wording for a full list of the uninsured matters.

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**Target market**

**Who is this product designed for?**

- Residential property owners seeking legal indemnity and title Insurance.

**Who is this product not designed for?**

- Commercial property owners

**Vulnerable customers:**

*Broker Guidance: You should also ensure that you assess the presence of vulnerable customer characteristics and verify the suitability of the product, should they arise.*

**Did any vulnerable customer characteristics present themselves as risks during the development of the product?**

- Health – Conditions that affect ability to carry out day-to-day tasks
- Life events - Such as bereavement, job loss or relationship breakdown
- Resilience – Low ability to withstand financial or emotional shocks
- Capability –Low knowledge of financial matters or low confidence
- None of the Above

**DUAL’s role:**

- Manufacturer
- Co Manufacturer
- Distributer

**Distribution channel(s):**

- Broker (Open Market)
- Broker (Single broker or Platform)
- Direct to Commercial Client (define size of client)
- Direct to Consumer
- Other

**Distribution method(s):**

- Face-to-Face [‘F2F’]
- Telephone
- Online Journey
- Webchat
- Postal
- Email
- Advised Sale**  **OR Non-Advised Sale**

**Summary of product testing**

This product has been tested in the existing market. This is an established product with a long history of demand, and as such, is deemed to meet the needs of this particular market

**Product review process:**

This product was last reviewed and approved through DUAL's Product Oversight and Governance [POG] arrangements in **year-end 2024**

This product is next due for review through DUAL's POG in **year-end 2025**, unless there is a significant change to the product.

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**Risks and cost:**

The **risks** and **costs** have been reviewed through DUAL's POG, as part of the product development process.

You should ensure that, in assessing the suitability of the product, that you identify the risks posed to the insured, and that all costs associated are appropriate to their needs.

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**Product value:**

Product Value is the relationship between the overall price to the customer and the quality of the product(s) and or services provided.

**DUAL considers that this product provides fair value to customers in the target market considering all the data available to us, including the pricing model used to calculate the risk. We consider this product to be fair value for the foreseeable future.**

You should be satisfied that, in offering this product, it meets the fair value expectations. Should you become aware of any information that leads you to believe the product is not offering fair value, please contact DUAL without delay.

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**Conflicts of interest:**

DUAL has identified no conflicts of interest in the manufacture, underwriting and distribution of this product. On occasions where a conflict of interest is identified, they are properly disclosed, managed and reported. Should you become aware of any information that leads you to believe a conflict of interest may be present, please contact DUAL without delay.

# DUAL product oversight and governance arrangements

Following the implementation of the Insurance Distribution Directive ['IDD'] on 1 October 2018 and the Pricing Practices changes from 1 October 2021 and 1 January 2022, this document outlines DUAL's approach to Product Oversight and Governance to demonstrate the way we design, monitor, review and distribute our insurance products.

## Why are we telling you this?

As part of the regulatory framework DUAL adheres to, we are informing you of the product governance arrangements we have in place for designing, monitoring, reviewing, and distributing of this product. The key areas outlined cover the various processes we have in place to monitor our products as well as the information we may require from brokers/coverholders (distributors) throughout the lifecycle of a product.

## Product development process

The product development process has been designed to ensure that we have a consistent approach to the development of new products, or significant revisions to existing products.

## Product review process

The product review process ensures that those already within the market continue to be designed in a way that meets the needs of the target market and offers fair value to consumers.

This document confirms the target market, product information and has been assessed as having Fair Value using MI relating to the following

- Nature of the product and the coverage provided
- Cancellation rates
- Claims volumes, declination rates and average claims pay out
- Loss ratios
- Customer feedback including complaint volumes and root cause analysis
- Pricing model and the total acquisition costs including commissions and other distributor remuneration
- The reasonableness of any admin and/or cancellation fees
- Suitability of the distribution strategy

## Information for brokers and other distribution partners

As we carry out these reviews, we may request information from brokers/coverholders to be able to evidence that our products are being distributed as intended - examples of this could be evidence that the product has been sold to the right target market or complaints received relating to the product. In most instances we will hold this data already on our systems, but there will be occasions when we may request it from relevant brokers. We will endeavour to provide adequate notice where we seek this information from you.

## Further information

If you have any questions, please contact your DUAL representative.