



ATE Insurance and Disbursement Funding

We take the risk so
that your client
doesn't have to

Contact us now on
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www.temple-legal.co.uk

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Introduction

Who are Temple?

Temple Legal Protection Limited was established in 1999 and is widely recognised as one of the foremost providers of after-the-event (ATE) insurance.

Our ATE insurance is administered through two principal underwriting divisions - one for clinical negligence and personal injury cases, the other for commercial disputes. This guide is intended for commercial litigators.

The underwriters in the Temple commercial team have a wealth of knowledge and experience of commercial litigation, having been in practice or qualified as solicitors or barristers.

Temple Legal Protection is authorised and regulated by the Financial Conduct Authority.

Who is the insurer?

Royal & Sun Alliance Ltd ("RSA"), the UK's oldest general insurance company, is the insurer. It has been in the insurance business for 300 years and has an "A" credit rating.

Temple is proud to be RSA's ATE managing general agent. We have delegated authority to quote, bind and issue contracts of insurance on their behalf.

In addition we develop, market and promote new ATE insurance products on their behalf, as well as dealing with complaints and administering all claims.



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ATE Insurance

What we insure

- (a) **adverse costs** - including costs and disbursements arising out of a detailed assessment hearing plus interim costs for interlocutory applications;
- (b) **the insured's disbursements** - such as court fees, expert's fees and mediator's fees.

What we don't insure

We do not offer cover in respect of your own solicitors' costs, counsel's fees, costs draftsman's fees and recoverable VAT.

Are appeals insured?

If a Temple ATE insurance policy is issued, it specifically excludes any costs of appeal, whether in relation to an interlocutory decision or judgment at trial.

If you wish to appeal any decision or are the respondent in any appeal, you can apply to us for insurance and the application will be dealt with in the usual way.

If we offer terms which are accepted by you, a separate and distinct policy of insurance will be issued relating to the appeal. This will entail the payment of an additional premium in the event of success (in addition to that of the underlying policy).

Who we insure

Ordinarily it is the claimant, but we can and do insure defenders. Read more about this - see ['Not Just for Claimants - Insuring Defendants'](#)

We also insure group actions and have recently insured a large number of claimants in their professional negligence claims against firms of solicitors acting for them in their purchases of off-plan apartments. You may want to [read more about this case](#).

Where we are asked to insure group actions, we would ordinarily like to see some kind of litigation management agreement between you and the claimants.

What types of cases we insure

We insure a wide range of cases, including but not limited to, contested wills and probate, financial mis-selling, professional negligence, breach of contract, shareholder disputes, unfair prejudice petitions, insurance disputes, insolvency claims, construction disputes and defamation and privacy actions. You may want to read more about these - see [Commercial ATE Insurance - Case Types](#)

We insure cases brought in the courts as well as tribunals, arbitrations and adjudications.

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Jurisdiction and Security for Costs



Jurisdiction and governing law

The proceedings and arbitrations we insure must commence in either the UK, Channel Islands or Isle of Man.

For cases where the governing law is that of [Scotland](#) or [Northern Ireland](#), we are more likely to ask for counsel's opinion to support the application for cover. We can also insure cases heard in the UK where the applicable law may be that of a country outside the UK; for this we will need to see compelling expert evidence dealing with any important or contentious legal issues in the case.

Caution and Security

Subject to the merits of the legal action and prospects of success at trial being assessed at the requisite level, we can offer to incorporate cover for this into the insurance contract by way of an endorsement adding an anti-avoidance clause.

Retrospective cover

Unless we otherwise specify in any offer of terms, the cover is retrospective and thus covers all costs and disbursements incurred prior to the date of inception of the policy. Depending on when the case is presented to us this can amount to a considerable sum.

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Level of Indemnity

The level of indemnity

This is the total sum you wish your client to be insured against. It comprises two elements:

- (a) the opponent's projected costs and disbursements - up to and including trial;
- (b) your company's projected disbursements - up to and including trial.

"Top-up" of level of indemnity

If costs budgets have not been filed and served, appraising the opponent's costs and your company's own disbursements to trial will be an estimate based on your experience and a set of assumptions.

If those assumptions prove incorrect and, as the case progresses, the actual costs exceed the predicted costs by a significant margin this could mean you are under-insured and without adequate protection for the financial risks of litigation.

In such circumstances you can easily apply to us for an increase in the level of indemnity. Subject to there being no material deterioration in the merits and prospects of succeeding at trial we will, more often than not, agree to such request.

Right to Cancel

Should we issue an insurance policy and (where applicable) disbursement funding credit agreement to your company, it has the right to cancel both - if it so chooses - provided this is within fourteen days of the date of policy and credit agreement.



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The insurance premium

Payment of premiums are fully deferred until conclusion of the legal action, whether by way of settlement or judgment. This is contingent on success; in other words if your client loses, no premium is payable.

All premiums are subject to Insurance Premium Tax, currently levied at the rate of 12% (unless the client resides outside the UK).

Premiums for commercial cases

We have a number of different models for calculating the premium:

- some are fixed and staged and based on the level of indemnity;
- some are staged and based on your client's own costs and damages, whichever is the greater with the premium capped at each stage as a percentage of the level of indemnity;
- some are fixed no matter what the stage of the proceedings.

Each case is different in terms of its potential value; we try to cater for this and can offer indicative terms as well as give the client a choice of different premium models. We want to be fair to your client but have as degree of flexibility when offering terms.

Please note that these premiums are irrecoverable from the opponent.

See below for guidance on premiums for some specific commercial case types:

Media and communications litigation

Our premium pricing for publication and privacy claims is a fixed amount, staged and calculated with reference to both the level of indemnity sought and an assessment of succeeding at trial. Read more about [Media and communications litigation](#).

Insolvency proceedings

The premium pricing for these types of actions are also fixed, staged and calculated with reference to the level of indemnity sought and the value of the claim. Read more about ATE insurance for [Insolvency Litigation](#).

Construction adjudication and enforcement

The insurance premium amount is fixed - no matter what stage of the proceedings the case is at - and calculated with reference to the level of indemnity sought. The risks insured against typically relate to enforcement of the adjudicator's decision and/or final determination proceedings. Read more about ATE insurance for [Enforcing Adjudicator's decisions in construction disputes](#).

These premiums are irrecoverable from the opponent.

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Working with us



What we look for in a case

- a) **Are the legal and factual merits strong?** We typically expect an assessment of the merits and prospects of succeeding at trial to be 60% or more;
- b) **Does the client have the funds to see the matter all the way to trial?** If not, what arrangements have been - or are proposed to be - put in place to ensure the client is able to do so? For example are you and/or Counsel acting on a conditional fee agreement, or has disbursement funding been secured?
- c) **Does the opponent have the financial resources** to satisfy any monetary judgment and adverse costs award?
- d) **Does your client have the financial resources to pay any balance** of the irrecoverable premium and irrecoverable costs?
- e) **Is the costs to value ratio more than 1:2?** We would expect the 'value' of the claim to be at least twice the projected costs of taking it to trial. Otherwise the costs are likely to be disproportionate and any likely recovery of damages will not be sufficient to pay all stakeholders in full. This could leave the client with very little, if anything.

The application process

The process is free of charge and straightforward.

Simply complete the [Commercial Proposal Form](#) and send it to us, together with digital copies of all relevant papers including (but not limited to) any letter of claim, letter of response, draft pleadings and any Counsel's advice.

- We aim to turn this around within five to ten working days.
- We will either ask for further information, offer indicative terms or decline it with reasons.
- If you wish to discuss the case before submitting papers, any of [our commercial underwriting team](#) are available to do so.

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Disbursement Funding

With Temple ATE insurance your client is eligible for our disbursement funding



If you take out ATE insurance with us, we can make [disbursement funding](#) available to your client through our wholly owned subsidiary, Temple Funding Limited. This loan pays for disbursements incurred in the legal action, such as court fees, expert's reports and mediator's fees.

If you wish access to such a facility you can indicate this in the Commercial Proposal Form referred to above. A one-off disbursement funding form will be required to be completed by you.

Temple Funding Limited is authorised and regulated by the Financial Conduct Authority.

The interest rate on the outstanding balance of any loan is 10% per annum compounded monthly. There is a transaction fee of £75 per drawdown.

You pre-agree with us the level of funding required and, if further funding is required as the case progresses, you simply email us with the reason for this and the amount required.

Should your client lose their case, then a claim will ordinarily be made under the policy in respect of disbursements and monies remitted to the insured. This will in turn be applied by it to pay off any outstanding loan balance and interest and charges to Temple Funding Limited.

Get the Perfect Fit

With Temple it's easy choosing the best way to obtain ATE for your commercial clients



Temple's commercial ATE insurance has never been easier to utilise. There is a choice of three ways - 'Espresso', 'Concierge' and 'Solo' - all designed to speed-up and simplify this process, each covering all types of commercial dispute and all suitable for any retainer arrangement.

- **Espresso** - fully delegated authority, automatic disbursement funding. Insurance at the press of a button!
- **Concierge** - bespoke underwriting. We design the underwriting process with you to meet the needs of your clients to save time and cost;
- **Solo** - suitable for more valuable and complex individual cases requiring additional scrutiny.

“

Temple's ATE insurance cover is the real deal for commercial litigators; it's second-to-none, as is the service from their Underwriters.

Razi Mireskandari
Simons Muirhead & Burton LLP

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Temple Legal Protection is one of the country's leading underwriters of legal expenses insurance. We provide a wide range of ATE insurance solutions to law firms and brokers in order to help people reduce their financial risks in litigation.

Temple Funding offers straightforward, affordable disbursement funding that gives claimants the freedom to pursue their claim without having to pay expenses along the way. Our facility provides law firms with a solution to the significant cash flow burden that comes with funding litigation.

Temple Funding Limited is a subsidiary of Temple Legal Protection.

Temple Legal Protection and Temple Funding are authorised and regulated by the Financial Conduct Authority

Contact Us

Find out more about how our ATE insurance and disbursement funding can help you and your clients:

Call: 01483 577877
Email: info@temple-legal.co.uk
Visit: www.temple-legal.co.uk