Litigation Insurance and Outlay Funding
For Commercial Litigation in Scotland

Temple
LEGAL PROTECTION

Temple Legal Protection
Product Guide

How they work, our service offering
and the benefits of partnering with us

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In partnership with intact INSURANCE

Temple Guide
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Is litigation insurance the same as ATE insurance? Traditional legal expenses insurance is often known as Before-the-Event or 'BTE' cover. Litigation Insurance used by solicitors is commonly known as After-the-Event or 'ATE' insurance. The latter is the technically correct term but your clients may better understand 'Litigation Insurance'. In this document we have predominantly used the phrase 'Litigation Insurance' and, where appropriate, would encourage you to do so in order to enhance the understanding of what is available to your clients.

Product Guide
Introduction

Temple Legal Protection and Temple Funding

Solutions to Simplify Your Litigation

Temple Legal Protection and Temple Funding are market-leading providers of litigation insurance and litigation funding that help reduce the financial risks of litigation for your clients.

- Our litigation insurance - also known as After-the-Event (ATE) insurance - is proven in a wide variety of commercial disputes. The cover is 'A' Rated and provided in partnership with Intact Insurance UK Limited, one of the largest and strongest insurers in the UK
- Our outlay funding removes the financial barriers which may prevent your client running a case to its full potential. Easy to administer and affordable, it gives your clients peace of mind and keeps the financial liability off your balance sheet

An Unrivalled Level of Service and Expertise Backs our Products

In a rapidly evolving legal services sector our aim is to help you retain existing and attract new clients by providing industry-leading litigation insurance and outlay funding which reduce the financial barriers and uncertainty in litigation.

Through innovation, agility and a strong client focus we have built our reputation working in close partnership with many leading law firms - providing 'best in class' options to support their business and their clients.

Temple Legal Protection and Temple Funding are fully accredited and regulated by the Financial Conduct Authority (FCA) providing transparency and security for both your firm and your clients.

Product Guide
Why partner with us?

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Temple Legal Protection

At Temple Legal Protection we are committed to:

- Working in an open and productive partnership with your litigation team by providing full access to our Underwriters and decision makers
- Listening and responding to you to enhance our products so you can offer your clients access to justice with comprehensive financial protection
- Being competitive with our insurance pricing and providing higher levels of cover
- Developing our professional reputation according to a strict code of ethics and values
- Security - you can be confident that your client's case is as safe with us as it is with you
- Avoiding unnecessary delays - with the Temple Online Policy System (TOPS) and bespoke Delegated Authority Schemes you simply go online and enter the case details; your client will be covered.

Temple Funding

Temple Funding is a wholly-owned subsidiary of Temple Legal Protection. We are:

- UK based and FCA regulated - your firm and your clients are working with a reputable business which adheres to all UK financial services legislation and regulations
- Experienced – our knowledge of the complexities of commercial litigation is unequalled
- Independent - with no external investors, funding decisions are made promptly in-house
- Realistic – and committed to fair funding solutions that meet the needs of your firm
- Competitive - our interest rates are very low within the market when compared to alternatives
- Ethical - interest charges on outlay funding are applied to the amount actually drawn down rather than the full credit limit
- Straightforward - our online funding administration also uses TOPS. It is easy to use; there are no application forms, funding can be simply drawn down online.

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A partnership that means business

We provide a unique and professional way of working in partnership with law firms. This ensures we deliver consistent, excellent service. Specific examples of this include:

A dedicated, single point of contact – we appoint an experienced Underwriter to manage your relationship with us. Many of our Underwriters are qualified legal professionals, so they understand your challenges, requirements and expectations.

Handling queries in a timely manner - our Underwriters hold authority to make decisions in almost all matters relating to your account, so you know you're talking to the right person every time. In addition we guarantee a response to new policy enquiries within 10 working days, often far sooner.

Our ability to handle and pay claims - we have a no-nonsense and practical approach to claims that works for our client law firms. We assess all claims using a fair, just and transparent decision-making process.

A practical, ethical and genuine approach to business - we understand that every case is individual and take a pragmatic approach. We work alongside you to find a mutually beneficial resolution that works for your firm, your client and us.

Did You Know? We are currently the principal litigation insurance provider for the "phone hacking" claims being pursued against both Mirror and News Group Newspapers. We also insure high profile defamation claims, working closely with leading media firms such as Carter-Ruck and Charles Russell Speechlys.

Product Guide
Litigation (ATE) Insurance

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All litigation comes with the risk that, if things do not go as planned, your client could be left in a position where they will be unable to recover their own expenses and outlays but also face the prospect of having to pay substantial amounts of opponent's expenses very soon after receiving a court order. This risk can make clients reluctant to pursue a claim in the first place. If they have gone ahead then those risks can deter them from pursuing it for its full value.

The Advantages of Using Litigation Insurance:

- It enables your client to afford to proceed with litigation to its full conclusion without having to settle (possibly lower than the optimum value) or abandon because of the cost of opponent's expenses and own outlays
- Your client will be able to fix, or at least have much better control over their expenses and outlays exposure in the litigation
- The peace of mind for your client that, if the action is lost, they will not be exposed to their opponent's expenses or own outlays
- Increased confidence in the strength of the case because an independent litigation insurer has decided to support the claim. This sends a powerful message to your client's opponent, who may use robust tactics to try and get them to drop the case
- The insurance premium is paid by your client at the conclusion of the case and only if their claim is successful. If the case loses, they will not have to pay the premium

Litigation Insurance from Temple Legal Protection:

- The structure of our ATE litigation insurance policies is straightforward. The premium is payable in the event of a win at the conclusion of a case and self-insured in the event of a loss
- It is a flexible solution that can be used regardless of how the case is being funded
- Our pricing is proportionate to the complexity of the claim (as reflected in the amount of your expenses) or its value (as reflected by the damages your client might be awarded) – whichever is the greater. With Temple Legal Protection the price is capped according to the level of insurance cover required - known as the limit of indemnity
- Our premiums are generally between 25% to 60% of the relevant limit of indemnity and tailored to suit different types of commercial litigation. Other insurance providers may not consider the individual factors about your client's case then quote a price and provide cover which exceeds what the client actually needs
- We insure a wide range of cases both for pursuers and defenders. These include general commercial litigation, professional negligence claims, property litigation, claims brought by insolvency practitioners and contentious probate claims

Product Guide
Working with us

Our Underwriting Process is Simple and traightforward.

1. We ask that cases are referred to us using a standard proposal form, along with a detailed summary of the case and any key documents that might assist our Underwriters. Applications can also be referred to us online via the Temple Online Policy System (TOPS) ensuring real-time updates of progress
2. We aim to provide a response to the proposal within 10 working days of receipt of the form but are often able to respond more quickly
3. We have an experienced commercial litigation underwriting team but fully respect the views of those who refer cases to us. Though our solicitor-clients will be more familiar with the cases they bring to us there may still be occasions when we will decline to offer terms
4. We do not require solicitors to act on any particular fee-paying basis with their clients.
5. We will insure cases where declaratory relief is sought rather than damages
6. Claims are dealt with in-house and we process claims with the same straightforward approach we adopt when underwriting cases. We have an enviable record: 97% of claims against our ATE policies for commercial litigation were paid out between January 2010 to June 2017.
7. If a delegated authority scheme is taken out the process is even more streamlined.

Types of Cases We Insure:

- Professional Negligence – for both lenders and individuals
- Subrogated Rights
- Contract disputes
- Insolvency
- Privacy/Defamation/Media litigation
- Partnership and Shareholder disputes
- Contentious probate
- Property disputes

ATE was vital to the firm and our clients as it was the only way we could bring these hacking claims without catastrophic risk. Although each claim was valuable (as history has shown) the cost of failure after a complex trial would have wiped them out and having insurance support, both initially and especially when topped up as we faced 6 weeks of trial; meant we could fight on an equal basis with a very rich defendant and achieve an appropriate negotiated settlement.

Duncan Lamont - Charles Russell Speechlys

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A Delegated Authority Scheme From Temple Legal Protection

We are able to pass the initial underwriting process to you using our delegated authority scheme.

- As a Coverholder your firm is empowered to pursue cases to their full potential with minimal interference from us
- You can incept policies on behalf of your clients without having to refer cases to us
- Reporting on a case's progress is easy using the Temple Online Policy System (TOPS)

Delegated authority is the most straightforward, cost effective and rapid way to obtain our litigation insurance and outlay funding, without the need to apply for each case individually. Our delegated authority schemes provide full delegation to firms to run their cases and your clients benefit from a discounted price on the insurance premium.

The terms and scope of the delegated authority is set out in a Coverholder Agreement. This identifies the nature and range of litigation covered by the scheme and sets a standard limit of indemnity applicable to all policies incepted under it. Cases that by their nature fall outside the scheme can still be referred to us via TOPS.

Once approved to the scheme, you will have access to Temple's Online Policy System (TOPS); this is also used to administer our outlay funding product, if required from us. The scheme proposal will state pre-agreed criteria; a case matching the criteria will be eligible for insurance and funding, it's that simple.
Do note that our specialist team of underwriters are directly accessible should you require a second opinion or reassurance on a particular matter.

Some low price ATE insurance premiums can be misleading

They can appear attractive but be sure to look for safeguards to ensure you are comparing 'like with like' with your providers. For example is the insurance provider FCA regulated UK based and do they have 'A rated' capacity? (Temple Legal Protection can answer 'yes' to these key three criteria). And if you use a broker to source your ATE insurance, is the premium really cheaper? Their commission arrangements need to be allowed for.

Temple's ATE insurance cover is extremely straightforward to use, the policy quite simply works and it is comforting for clients to have the option of disbursement funding

Kevin Rogers
Wilson Browne Solicitors

Product Guide
Delegated Authority

Benefits of a Delegated Authority Scheme for Your Firm:

- No requirement to obtain permission to issue or serve proceedings or reject an offer of settlement
- No onerous reporting requirements. Your authorised personnel can update us through TOPS whenever a material development occurs
- Permission is not required to incur outlays
- You only need to get in touch with us if you wish to discuss a case; this may be if there is a material development that impacts upon the case's prospect of success; or if the case has settled in your client's favour
- An advocate's opinion is not required as qualifying cases are determined by the approved firm's assessment of the merits

Advantages of Delegated Authority for Your Clients:

- Their claim can be run by you to its full potential
- You don't need to use valuable time preparing a detailed proposal for us to review
- The qualifying merits of success are determined by you so that your client doesn't need to pay for an advocate's advice on prospects
- Our standard policy wording covers interim hearings
- With the Temple Online Policy System approved firms can create the ATE insurance policy, typically in less than 5 minutes
- Outlay funding can also be managed through the system with funds transferred direct to your firm's account

Temple's Online Policy System

The Temple Online Policy System (TOPS) is our market-leading web portal, designed in-house specifically for one purpose, to ensure law firms like yours have direct access to incept insurance policies and manage outlay funding without the need for unnecessary multiple application forms, meetings or calls which take additional time.

Approved firms will be able to create the ATE insurance policy, simply by following the 5-step process on TOPS. This process typically takes less than 5 minutes. Outlay funding can also be managed through the system with funds transferred direct to your firm's account.

Product Guide
Outlay Funding

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Claims are often made against large organisations that have far greater access to funds to enable them to vigorously defend the case. This means outlays incurred by your client can amount to a considerable sum of money. As this often will be several thousand pounds, this can prevent your client from pursuing their case at all.

Unless your client has the independent means - or a bank loan, business overdraft or a credit card - to fund their outlays, then recourse to a third-party funder is an option.

A client using their own financial resources is a risk for them, because in this situation the outlays will not be covered in the event of an unsuccessful case.

As with an ATE insurance policy, where the support of an independent litigation insurer is a statement of intent, outlay funding also sends a clear message to the opponent; that your client has sufficient funds to fully pursue their case and they need not be pressured into to dropping the case or settling for less than it is worth.

Temple Outlay Funding - For Your Client's Peace of Mind

Your potential clients have concerns about risk and costs – as their legal advisor you'll want to address your clients' uncertainty and remove the financial barriers of running a case to its full potential. Supporting your clients with our fully regulated, practical outlay funding facility will help allay their fears and make them more confident to pursue their claim and instruct your firm.

Temple, through its wholly owned subsidiary Temple Funding Limited (which is fully FCA regulated and authorised) is able to offer a loan facility specifically for outlays such as court and expert's fees. For their peace of mind, it is a prerequisite that your client apply for, is offered and has accepted a Temple Legal Protection ATE insurance policy. This fully indemnifies our funding provision; if the case is unsuccessful, neither your firm nor your client is liable for any outlays.

Funding Without ATE Insurance is High Risk

The ability to cover outlays and opponent's expenses can be a deciding factor for your client whether to appoint your firm. The availability of outlay funding with litigation insurance doesn't question your judgment. Together they remove the uncertainties of litigation, give your client peace of mind and keep a financial liability off your balance sheet.

We have successfully worked with Temple for a number of years. Their response times, practical approach and excellent service levels have differentiated them from other insurers with whom we have dealt in the past. We enjoy working with them

Tony McPhillips - Partner, Muckle LLP

Product Guide
How it works

Our outlay funding product is robust, clearly written and responsibly funded; we offer one of the most competitive rates in the market and only charge interest on funds used, not the total allocated.

1. We provide full underwriting support so that your account is managed by an authorised decision maker, combined with our best in class online portal means you have immediate access to policies, funding, help and advice
2. A maximum amount is agreed with the insured and the loan facility is operated through 'TOPS' our on-line policy system, which enables payments to be applied for and paid rapidly.
3. Your client would enter into a credit agreement direct with Temple Funding through your law firm (acting as credit intermediaries). Such agreement would be subject to rights and obligations under the Consumer Credit Act 1974
4. For the latest competitive rates, please contact Temple. There is a transaction fee of £75 per drawdown. Money is transferred via TOPS our online policy system directly into your firm's client account.
5. Should your client lose their claim, all funding costs are covered under the Temple Legal Protection ATE insurance policy, so you won't be liable to pay them at all. Interest payments remain a liability for your client

Next Steps

To find out about how our litigation insurance and outlay funding products can help your firm and your clients we suggest a short presentation from our commercial team to your litigation fee earners. This often helps to ensure awareness of litigation insurance and funding across your firm. To arrange an appointment please contact our office on 01483 577877

Alternatively you can send us a case for review without obligation, please email: info@temple-legal.co.uk

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

Temple Funding offers straightforward, affordable funding that gives claimants the freedom to pursue their claim without having to pay outlays 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

To find out more about how our outlay funding and litigation insurance can help you and your clients:

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