

Financial & Legal

Our Business

UK domiciled
Privately owned
PRA & FCA Authorised
Strong solvency ratio

Our History

Established in 1995, Financial and Legal started out providing Before the Event Insurance subsequently adding After the Event before further diversifying into ancillary and assistance insurance products

Working With F&L

A small, agile insurer
In house Underwriting
Extensive product range
Bespoke propositions
In house claims teams

Overview

Company Name: Financial & Legal Insurance Company Limited (F&L)

F&L is part of the privately owned Drive Further Collective while operating as standalone insurer

Company Registration No: 03034220

F&L's clients benefit from full protection from the Financial Services Compensation Scheme, and premiums are kept as low as possible and are commensurate with the risk

F&L have not currently applied for a credit rating, and whilst this has been explored, we believe it does not add value to our financial stability, taking the view that meeting the regulators detailed solvency requirements is demonstrative of our financial position

As well as the current solvency regime and the significant strengthening, through Solvency II, of our reserves, F&L firmly believe that a credit rating would only add additional unnecessary costs and that such a review would not be in anything like the detail of the PRA solvency II requirements

A credit rating does not guarantee the financial security of a business, evidenced in recent high-profile insurer failures. The key difference with many of the failed insurers indeed relates to the fact they are domiciled offshore with different regulatory regimes

Financial Strength

The Solvency II rules effecting from 1st January 2016 require all PRA approved businesses to publish its SFCR (Solvency and Financial and Conditioning Report)

F&Ls strategic goal to increase the Solvency ratio is demonstrated by an increase from 126% in 2020 to 141% in period ending 2021, with further increases forecast, putting F&L in line with recent market averages

This compares favorably to the publicly available records for household name insurers in 2021 e.g.;

- Allianz Insurance – 156%
- Amtrust Insurance (AEL) – 145%
- AIG Holdings Europe Ltd – 148%

In addition, F&L produce an ORSA (Own Risk and Solvency Assessment Report) which is a forward-looking document over a five-year period, which not only sets out its future capital position but assesses its risks which are appropriately stressed, and reverse stress tested

As with all UK regulated insurers F&L are required to produce an annual RSR (Regulatory Supervisory Report) to the PRA which is more detailed than the

- SFCR to satisfy the regulator that;
- F&L can meet its minimum capital requirements
- Holds sufficient capital to meet its current and future liabilities
- No queries received in relation to their ORSA, SFCR and RSR

Regulatory

F&L are authorised by the Prudential Regulation Authority (PRA) and authorised and regulated by both the PRA and the Financial Conduct Authority (FCA) and is domiciled and trades solely in the UK

FCA registration number: 202915

As an PRA authorised insurer, F&L are obliged to meet the stringent PRA solvency requirements and report its financial stability to the PRA

The report is identical to those produced by any UK based insurer which is required to assess its risks, including emerging risks on a regular

F&L are authorised to insure the following classes of business

- Class 1 - Accident
- Class 3 - Land Vehicles
- Class 16 Miscellaneous Financial Loss
- Class 17 Legal Expenses
- Class 18 Assistance

F&L's current SFCR can be viewed on our website:

<https://www.financialandlegal.co.uk/wp-content/uploads/2022/04/FLI-SFCR-YE2021-FINAL.pdf>

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