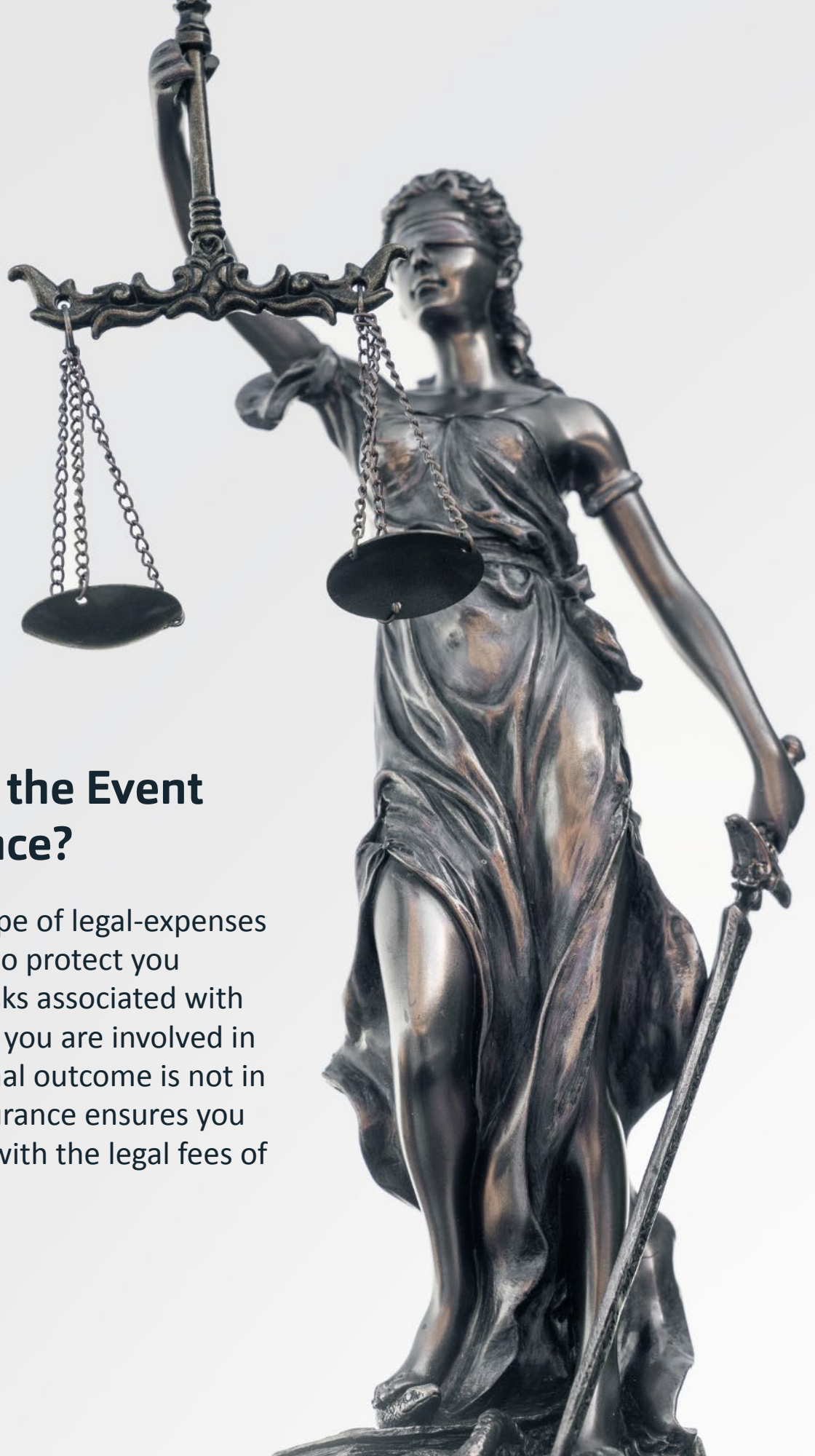




LITIGATION LIABILITY

After the Event (ATE) Insurance





What is After the Event (ATE) insurance?

ATE insurance is a type of legal-expenses insurance designed to protect you from the financial risks associated with losing a legal case. If you are involved in litigation, and the final outcome is not in your favour, ATE insurance ensures you won't be burdened with the legal fees of your opponent.



Why consider adverse costs insurance?

Litigation can be an unpredictable journey. While you might be confident in your case, there is always the risk of an unfavourable judgment if your case does not settle. With that comes the risk that you will be ordered to pay your opponent's legal costs.

For many, the risk of an order to pay the opposing party's legal costs can be a significant deterrent, even in the strongest of cases. This financial risk often leads individuals and businesses to abandon legitimate legal action or to settle cases prematurely, despite having a valid case that deserves to be heard. This is particularly true in cases where the opponent has greater financial resources, or where legal costs could quickly escalate. The fear of a hefty adverse

costs order can unfairly discourage the pursuit of rightful claims and undermine access to justice.

ATE insurance provides a solution by protecting you from the potential financial burden of having to pay the other side's legal fees if you lose. ATE insurance can help provide peace of mind throughout legal proceedings, enabling you to focus on the case rather than the financial risks. Not only does this help level the playing field, it ensures that individuals and businesses, regardless of their financial position, have access to the justice system.



Cover for your own disbursements

In some cases, an ATE insurance policy can be extended to include cover for your own disbursements (e.g. court fees, expert fees, etc). What this means is that if the claim fails, the ATE policy will reimburse you for any disbursements you have incurred and paid for.

A tool to defeat a security-for-costs application

In some cases, your opponent might threaten to apply to the court for security for costs, perhaps because they have genuine concerns you would be unable to meet a costs order made against you if your claim failed, or to use as leverage during settlement negotiations.

ATE insurance can be used to defeat an application security for costs, by demonstrating to the court that the opponent is already adequately protected against the risk of being unable to enforce costs orders if the claim fails. Suitable ATE cover can therefore be an effective way of ensuring that proceedings are not delayed or frustrated by an application for security for costs.

Who is ATE suitable for?

Adverse costs insurance is suitable for anyone pursuing litigation (or arbitration)—from individuals to business of all sizes—and for any case where there is a risk of adverse costs orders in the event the claim fails.



How ATE insurance works

Cover can be secured at any time

In most cases, ATE cover is put in place before a claim is issued, but cover can be put in place at any time during the lifetime of a claim.

Customisable coverage

Every case is unique, and with that in mind we can tailor to suit your specific needs to provide the right level of coverage for your situation.

Protection if the case fails

If the case is lost, the ATE policy will cover the opposing party's legal fees.

Focus on what matters

With cover in place, you can concentrate on achieving the best possible outcome in your claim.

Pricing

The cost of coverage typically depends on several factors, including the type of case, the potential exposure to costs, and the likelihood of success. Some key factors that influence pricing:

- Type and complexity of case—the complexity and nature of the case are primary factors in determining the premium. High stakes or complex litigation may carry a higher premium due to the increased risk and potential costs involved. Conversely, straightforward cases might have a lower premium
- Amount of coverage required—the higher the amount of potential costs you wish to insure against, the higher the premium
- Stage of claim—ATE cover can be put in place at any stage of a claim, but the earlier you secure the insurance, the lower the premium is likely to be. Securing coverage later in the proceedings may result in a higher premium due to the increased uncertainty about the case's outcome

Premium structures

Our premium structures are designed to be flexible and are tailored to the specific needs of each case. Options include:

Deposit Premium plus Deferred and Contingent Premium

In most cases, an amount of premium will be payable on inception of the policy (this is referred to as the “Deposit Premium”). Then, if the case is successful, either by way of a settlement or success at trial, a further amount of premium will be payable. Crucially, this “Deferred and Contingent Premium” is entirely contingent upon the case being successful, and only payable if claim proceeds are sufficient to cover it. The amount of Deferred and Contingent Premium payable will depend on the stage at which the case resolves successfully, with the premium payable for an early settlement being less than the premium payable for a case that goes all the way to trial. Of course, if the case does not settle, and goes on to fail at trial, any adverse costs orders will be covered by the policy (up to the policy limit of cover) and no further premium will be payable.

Fully Deferred and Contingent Premium

In exceptional cases, we may be able to offer a fully deferred and contingent premium structure. This means there is no premium payable at all on inception, and premium is only payable from claim proceeds in the event of a successful outcome (i.e. a settlement or success at trial). If the case is unsuccessful, the policy will cover any adverse costs (up to the policy limit of cover) and no premium will be payable at all.

About Mosaic Insurance

Launched in 2021, Mosaic Insurance is a global specialty insurance agency with nine offices across seven countries. Mosaic's Litigation Liability team, established in 2023 and based in London, offers adverse-costs insurance that is underwritten with 100% A-rated Lloyd's market capacity.

The underwriting team, led by Sarah Bowden, consists of three former litigators with almost 50 years of combined legal experience. We work with insurance brokers, law firms, and litigation funders to provide adverse-costs insurance solutions for all kinds of domestic and international litigation and arbitration, including: professional negligence claims, contractual disputes, insolvency claims, defamation and privacy claims,

bilateral investment treaty (BIT) arbitrations, competition claims, securities claims, and more.

As well as UK disputes, we can cover cases in numerous other jurisdictions, including Australia, Canada, Europe, Hong Kong, UAE, Singapore, Cayman Islands, BVI, and beyond.

Our policyholders include individuals, companies, insolvency practitioners, law firms, litigation funders, investors, and class representatives.

We can provide cover of up to 10M GBP/USD/EUR/AUD and there is no minimum limit we will consider; all cases undergo the same thorough and fair review process.

Why clients choose Mosaic

We pride ourselves on:

- The depth of our legal experience accrued over many years managing complex litigation in private practice, which means we are uniquely placed to understand and assess litigation risk
- Our pragmatic approach to decision-making and our ability to offer flexible and creative solutions to meet a client's needs, in what can often be challenging and dynamic situations
- Our ability to draft and tailor our policy wordings to suit the case and situation
- Our speed of service—we make and communicate decisions quickly
- The integration between our underwriting and case-management functions: once a policy is bound, ongoing case-management services are provided by the underwriter, rather than being delegated to a case-management team with no prior knowledge of the case
- Our claims service—proactive claims management by specialists is at the heart of every risk we cover. Fair handling and quick payments of claims is our promise. Our underwriting and claims teams are fully integrated and our end goal is achieving fair outcomes for policyholders.

Sarah Bowden

Head of Litigation Liability



Sarah underwrites After the Event (ATE) insurance for Mosaic's professional liability team. She is a qualified solicitor with almost 17 years' experience as an insurance litigator in the City of London. Specializing in defending claims against professionals, she previously spent 14 years at Mills & Reeve.

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Victoria Hatton

AVP, Underwriter, Litigation Liability



Victoria is responsible for underwriting After the Event (ATE) insurance for Mosaic's professional liability team. She is a commercial contracts and dispute resolution lawyer with more than a dozen years' experience, including in the City of London. Her expertise includes acting in complex cases at all levels of the court hierarchy and in arbitrations. She has represented global clients across industries, from shipping, engineering, and manufacturing to commodities, finance and sports.

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Dónal Clark

AVP, Underwriter, Litigation Liability



Dónal underwrites After the Event (ATE) or litigation liability insurance for Mosaic's professional liability team. He is a qualified solicitor with extensive previous experience analyzing and advising on claims for global law firm Kennedys in London. His particular expertise relates to actions involving commercial enterprises, directors and officers, and regulated individuals.

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Meet the rest of our Professional Liability team



Your claims partner

Our Claims Philosophy

Mosaic's claims team has a combined cross-border experience in law, underwriting, products, and broking, with a deliberate focus on policyholder-centric procedures and outcome

Appointing law firms only when necessary & ensuring information requests adhere to only what's needed

Considering all angles to ensure fair outcomes

Being bold enough to test advice received—and take a different course, if needed

Discussing claims personally with clients and brokers

Ensuring engaged experts understand and adhere to Mosaic's philosophy

Full integration with underwriting teams throughout the policy lifecycle

Fostering relationships with policyholders before a claim arises



Natalie Graham
Global Head of Claims
Director, Mosaic Europe

With her background in law, underwriting, and broking, Natalie brings a 360-degree understanding of claims and the fundamental importance of fair outcomes to her role at Mosaic. She qualified as an insurance lawyer in 2001 and worked in private practice in the City of London before joining Ironshore/Pembroke Syndicate 4000 as a claims manager in 2010, where she managed a broad spectrum of claims across multiple lines of business. Natalie later served Aon's Global Broking Centre as head of financial, professional & specialty claims, overseeing a cradle-to-grave claims service to wholesale and retail clients globally.

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