

Useful information

Business Description

The definition of your business will be shown on all of your policies, unless stated to the contrary within the Risk Summaries. It is vital we are informed if you are undertaking any activities which fall outside this definition. These may include, for example, change of directors, new products, additional premises.

Warranties

Where a Warranty applies, it is essential that this be complied with precisely, as failure to do so could render the covers void. Please refer to your Policy for the exact wording and ensure you fully understand the implications. If you have any queries please speak to us.

Basis of Values Insured

Generally, unless otherwise stated in the Policy, the values to be insured are on a "Reinstatement" basis. Claims settlement is defined as "the amount payable as indemnity shall be the value of the Property Insured at the time of its Damage or at the option of the underwriters the cost of repair, reinstatement or replacement of such property or any part of it".

It is important to note that many policies are subject to the Conditions of Average which, when applied, have the effect of reducing claims settlement in proportion if the sum insured is under full value.

Our recommendation is that you should seek professional advice to ascertain the correct values to be insured to avoid any disappointment in the event of a claim.

Material Facts & Duty of Disclosure

You are referred to our enclosed Terms of Business, please read this document carefully. In particular, we draw your attention to section 10 regarding your duty to disclose material facts. Examples of material facts can include (but not limited to) any involvement in company liquidations, bankruptcy or administration, any convictions, previous incidents that could have resulted in an insurance claim (whether they did or not), or changes to your personal or business circumstances. On a renewal of a policy these can also include changes to the information previously provided, or any material facts that may have arisen since last renewal or policy inception including (but not limited to) in respect of the business, its directors, employees, claims made/occurred (or incidents that could have given rise to a claim, whether a claim was made or not), changes to the level of cover required, any involvement in company liquidations, bankruptcy or administration or if properties become vacant or change of tenant/use.

If you are in doubt – disclose it to us. Failure to do so may invalidate your cover.

Business Interruption

Gross Profit

Definition generally applied to insurance policies is :-

Value of Turnover plus Closing Stock and Work In Progress

Less Value of Opening Stock and Work In Progress and Uninsured Working Expenses (eg Purchases)

Accountants often use a different definition for Gross Profit and we therefore request that you seek their professional advice when ascertaining the Gross Profit sum insured to be applied in accordance with the abovementioned wording.

Indemnity Period

This is the maximum period required in order for the business to fully recover from a major insured loss. Some issues which need careful consideration are how long to clear up, obtaining tenders, rebuild, local authority implications and requirements, potential delays, refit, work force recruitment and training, restock and recover customers. A claim may occur on the last day of the insurance year and consequently Gross Profit needs to be estimated for a minimum of 2 years taking the factors of compounded sales growth and inflation into account.

The minimum Indemnity Period recommended is 12 months but we are finding that this is now becoming an insufficient term for many of our clients and at least 24 months should be considered to ensure full cover is not affected.

Claims Procedures

Notification

To avoid problems with late notification of claims all incidents likely to give rise to a claim must be reported to us immediately. This applies whether or not a claim has been made against you. This is often a policy condition.

Liability should never be admitted and claims against you should be referred to us, unacknowledged.

Motor Claims

Any incident that may give rise to a claim should be notified as soon as possible to us.

Under no circumstances should a driver/employee enter into correspondence with a third party, admit liability or make any offer of payment.

Insurers now tend to have "Claim Help Lines" where you can report any accident or loss direct by telephone. If this is not available insurers may require the completion of an accident report form.

Liability Claims

Please notify us of any incident which may give rise to a claim against you by either an employee or third party. We will require full details of the incident, together with any documents produced by any witness.

It is essential that any third party correspondence is passed to us unanswered to enable insurers to respond suitably on your behalf.

Any Employers Liability incidents must be recorded in your Accident Report Book. It is the duty of the Safety Officer at each location to ensure the Accident Report Book is completed correctly. If it is in the Accident Book please notify us as claims can materialise up to 3 years thereafter. Don't wait until a claim is made.

Statements should be taken by responsible persons from all witnesses to incidents likely to give rise to a liability claim. These should be taken at the time of the incident or as soon as possible afterwards. Photographic evidence may also greatly assist your insurer.

All other Claims

Please notify us immediately you are aware of an incident which may give rise to a claim.

Loss Mitigation

In all cases your insurers will expect you to act as though you are uninsured and seek to mitigate the extent of any loss as far as possible.

If the loss involves theft or malicious damage you should report it to your local Police immediately, and obtain a crime reference number.

Any damaged property, which may be needed as evidence of loss, should be retained for examination. In the event that it is necessary to carry out immediate repairs to avoid any further damage or loss, or to prevent or mitigate a business interruption claim, photographs of the damage should be taken.

If the loss or damage results from the action of a third party you should keep complete and accurate records of the details and circumstances surrounding the incident including the names and addresses of witnesses.

Business Continuity Plan

Ensure you understand the disruptions that would be disastrous to the running of your business. Please take the time to identify all the risks your business faces and rank them in order of importance. Do you have an Emergency Response Checklist, Contact Lists, Key Suppliers, Key Customers, Utility Companies, Local Emergency Services, Insurance and Finance Companies, Local Authority details?

If you require assistance we have access to specialist companies who can help you prepare a Business Continuity Plan.



We're different because you are