

**PROFESSIONAL INDEMNITY
INSURANCE**

**FOR
Property Professionals**

**Estate Agents / Letting Agents /
Property Managers / etc.**



Pinsure Limited: Authorised and Regulated by the Financial Services Authority

Pinsure Limited

Professional Indemnity Insurance for Property Professionals

Pinsure Limited is a recognised specialist professional indemnity insurance (P.I.I.) broker and is able to place compliant Professional Indemnity Insurance for Estate Agents and related property professionals at competitive rates.

Pinsure will secure quotations from the most suitable Insurance companies to ensure that you receive a high quality compliant policy at an affordable price with an insurer who you can trust will be there to respond in the event that a problem arises.

Where appropriate R.I.C.S. and / or N.A.E.A. compliance requirements are catered for.

The policy is offered with very low excess levels of only £250 in respect of residential estate and letting agency work and £500 in respect of all other insured areas of activity.

In addition Pinsure Limited will provide you with consultancy advice and administration services to ensure that any mid policy amendments or claims advices do not become a problem for you.

Premiums start from as little as £239.00 inclusive of tax and administration fees.

Premiums can be settled by cheque or Credit/Debit card or subject to status in instalments. The Instalment facility is charged at competitive rates but may not be available to all applicants. Details of the appropriate instalment facility will be made available to you on application.

Quotations can be provided within 3 working days of the receipt and acceptance of a fully completed 'one page' Pinsure Limited proposal form (please find form attached).

Please note that dependent on the size and complexity of your practice insurers may request additional information prior to binding coverage.

When you have decided that you are happy with the quotation, we can effect coverage and provide you with your confirmation of cover documentation on receipt of:-

1. Your original signed and dated fully completed proposal form
2. Your completed Insurance Request Form. (This will be provided to you in conjunction with your personalised quotation sheet.) Please confirm the coverage options you require by ticking the relevant boxes and confirm the total premium due for payment where prompted
3. Should you have previously held a professional indemnity insurance policy we will additionally need your confirmation of its renewal and retroactive date or a copy of its schedule page.

Please read the information sheet before completing your proposal form and insurance request form to avoid delay in the processing of your insurance.

Pinsure Limited

Terms of Business Agreement

The Financial Services Authority (FSA) is the independent watchdog that regulates financial services. It requires us to provide you with the following information, use it to decide if the services are appropriate for you. Please be aware that you may also require other forms of insurance for which Pinsure Limited is unable to advise.

Permitted to arrange general insurance contracts Pinsure Limited is an FSA regulated firm trading in compliance with FSA regulations. Our FSA firm registration number is 306497, details of which may be checked on the FSA's Register by visiting their website www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234.

Pinsure will offer a quotation selected from the most potentially suitable range of insurers, chosen by Pinsure on your behalf, to provide you with a product that meets your requirements.

We will advise and make a recommendation for you after we have assessed your needs.

Pinsure Limited normally receives a commission from the insurer with whom we place your business.

Pinsure Limited makes a charge to cover the administration of your insurance: details of which will be shown on your quotation.

Please be advised that in the majority of cases professional liability insurances cannot be cancelled by the policy holder. Refer to your specific policy wording for the insurer's procedure. Pinsure Limited will charge a cancellation fee of £100 to cover administration should cancellation be granted.

All client monies received by Pinsure Limited are protected in Statutory Trust Client Bank Accounts pending settlement to insurers. Please be aware that Pinsure may transfer funds to other FSA authorised underwriters for them to make settlement to insurers. We do not pay any interest on premiums held by us in the course of arranging and administering your insurance.

We will treat all your personal information as private and confidential to us and anyone else involved in the normal course of arranging and administering your insurance, even when you are no longer a customer. We will not give anyone else any personal information except on your instructions or authority, or where we are required to do so by law, or by virtue of our regulatory requirements. We may use information we hold about you to provide information to you about other products and services, which we feel may be appropriate to you. Under the Data Protection Act 1998 you have the right to see any personal information about yourself, which we hold in our records. If you have any queries please write to us at our usual office address.

Our aim is to provide a first class service, however, if you wish to register a complaint, please contact us **by writing** to Kevin Locke, Pinsure Limited, 58 High Street, Steyning, West Sussex, BN44 3RD or, **by phone** Telephone 01903 815111, **by fax** 01903 815123

We will provide you with a copy of our full complaints procedure and respond to you as a matter of urgency, and always within 5 working days. We will aim to make a final response to you within four weeks, or keep you informed as to why this is not possible. In the event that your complaint relates to activities or services provided by another party, we will ensure that your complaint is appropriately forwarded, and will track the progress of the complaint and responses of that party.

After our final response has been issued, if you still cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service, for an independent assessment and opinion.

The FOS Consumer Helpline is on **0845 080 1800** and their address is:

Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Insurance advising and arranging is covered for 100% of the first £2000.00 and 90% of the remainder of the claim, without any upper limit. For compulsory insurances e.g. employer's liability, insurance advising and arranging is covered for 100% of the claim, without any upper limit. Further information about compensation scheme arrangements is available from the FSCS.

Pinsure Limited – Information Page

Definitions

Professional Indemnity

Professional indemnity insurance (PI) is a mandatory requirement for the majority of property professionals. Pinsure Limited will ensure that your policy is issued in compliance with your appropriate professional body (R.I.C.S. / N.A.E.A.) as applicable.

The policy / certificate will cover you against loss arising from a claim or claims made against you in respect of a negligent act, error or omission (including costs and expenses incurred by insurers in the defence of such a claim) incurred in connection with the conduct of the activities you are licenced / registered to undertake as authorised by your membership standing. Notification of a potential claim under the policy must be made to insurers immediately you become made aware of the circumstance. A valid policy must be in force at the time you become made aware of and notify an incident for it to be covered. If you are not sure whether or not an incident is notifiable always contact Pinsure for advice or err on the side of caution and notify it anyway. Please refer to your policy terms and condition for full coverage and claims notification procedures.

Retroactive date clause

The retroactive date stated on your policy schedule is the date from which work undertaken is covered under the policy. Should the retroactive date be for example 01 06 05. All work undertaken on and after 01 06 05 will be covered. Work undertaken prior to that date will not be covered. Should the retroactive date be 'the inception date of the policy' only work undertaken on and after the inception date of the policy will be indemnified. Should the retroactive date be 'none' then there are no restrictions and all and any work undertaken will be covered. Please contact Pinsure for further advice if required.

Limit of Indemnity

This is the maximum amount of money that your PI insurance will pay out in respect of each and every incident. Please refer to the policy wording for full details.

Excess

This is the amount of each and every claim that is uninsured. As such you will be asked to pay back this amount to the Insurers in the event of a successful claim, brought against you, being settled by insurers.

IMPORTANT COVERAGE EXTENTIONS AVAILABLE ON REQUEST.

Material Fact

It is your responsibility to provide complete and accurate information to insurers when you take out your insurance policy, throughout the life of your policy, and when you renew your insurance.

It is important that you ensure that all statements you make on proposal forms, statement of fact, claim forms and other documents are full and accurate.

Please note that if you fail to disclose any information or change in circumstances to your insurers which could influence their cost, or their decision to accept your insurance, this could invalidate your insurance cover, and could mean that part or all of a claim may not be paid.

Public Liability

The public liability insurance extension option, if offered and accepted, will cover you in the event that a member of the public is injured or property owned by them is damaged and the cause of such is deemed to be the accidental fault of your business.

It is defined as being: The insurance of liability for accidental bodily injury or damage to the property of third parties. Public liability insurance is designed to compensate you in the event that you are sued by a member of the public or company where they feel they have suffered a loss as a direct result of your actions or those of your employees. An example of how a public liability claim could arise is if a customer walked into a shop and fell over on a wet floor, and there was no visible sign of warning to the customer. In 2002 there was approximately £3.5 billion paid out in public liability claims. In the event that your business is sued by a member of the public or company and you are ordered to pay compensation to them, if you are not insured for public liability insurance, you could be liable to make such payment from your personal assets (you may be forced to sell your business, home, cars etc).

Employers Liability

By law companies within the UK that have employees must hold and maintain Employers' Liability insurance. The Employers Liability Insurance extension option, if offered and accepted, will cover you in the event that an employee is injured, diseased or dies and you are sued for being responsible for the cause of the injury / disease / death.

It is defined as being: The Insurance of Employers' Liability to their employees for injury, disease or death occurring to their employees arising out of and in the course of their employment.

Employers' Liability insurance is basically designed to cover you in the event that you are sued by an injured employee. In the event that an employee is physically injured or dies in the course of their employment then you could be sued for negligence.

Employers' Liability claims could arise in a number of different ways. Here are a couple of examples of how employer's liability claims arise:

An employee is spraying paint on to a car that they have just fixed. The employer has no signs on display nor has he given the employee any instructions that he is meant to wear any safety equipment. After 3 years of working at the garage the employee becomes ill due to the fact that his lungs are infected by the gas from the paint. The employer would be sued for thousands of pounds, as they were negligent in not ensuring that adequate safety measures were met.

An office worker is carrying a filing cabinet up a flight of stairs and falls over and breaks their leg. They could sue the employer as they were not shown how to lift heavy items.

Legal Expenses

This is an important extension of coverage that is available to you from as little at £84.00.

In this increasingly litigious society, businesses face the constant threat of legal action and the weight of increasing legislation that must be complied with.

The cost of defending actions against you, or indeed pursuing your own legal rights is often prohibitive, and in some cases may cause businesses to close. Many people are deterred from taking legal action because of the financial risk and uncertainty of the outcome. This is where legal expenses insurance (LEI) can help.

Commercial Legal Expenses is a product designed to help you with these costs and also provide you with invaluable guidance on a continuing basis available to you on a helpline.

Unlike conventional insurance, LEI does not make a direct payment for a claim. Instead, the insurance covers the legal costs involved in pursuing or defending a claim. Legal costs include the appointment of solicitors, barristers and expert witnesses. In many cases, the LEI provider manages the claim from start to finish.

Typically, cover is provided for the legal expenses that the policyholder may incur in most personal injury, consumer, property and employment disputes, as well as for any award of the other party's legal costs. Normally, there is a requirement that if a policyholder makes a claim for legal expenses, any legal action for which the expenses are incurred must have a reasonable prospect of success. The policyholder is also usually required to accept any reasonable offer of settlement.

Please ask Pinsure for full details and an application form.

PLEASE REFER TO YOUR POLICY WORDING FOR FULL DETAILS OF THE INSURANCE'S TERMS, CONDITIONS AND EXCLUSIONS PAYING PARTICULAR ATTENTION TO THE CLAIMS NOTIFICATION CONDITIONS.

Pinsure Limited – Information Page

Proposal Form – Frequently Asked Questions.

What do you mean by name of practice?

This is your trading name: be it a limited company or a sole trading status company which can either trade under an approved “trading” name or just under your own name.

What is meant by establishment date?

The establishment date is the date your practice first started, or intends to start, practicing.

Who do I put down as a principal, partner or director?

If you are a sole practitioner just enter your own name and your qualifications. If you are running a partnership or limited company you must name all partners and/or directors together with all their relevant qualifications.

I'm just starting out; I don't know what I will earn. What shall I put down?

For a new practice, you must estimate what you think will be the realistic fee income for your first trading year based on your business plan. This figure will be used to calculate your premium. Should this estimate prove to be inaccurate at any stage during your first trading year you must notify this to Pinsure. Dependent on the discrepancy an additional premium may then be charged mid term. Once you have passed your first financial year end you will have a definite actual earned fee income figure on which to base your premium when renewing your policy.

When is my year end?

This is your financial year end as disclosed to the Inland Revenue.

As this is the first time I have taken out PI insurance how do I answer question 9?

Please tick the 'No' box and write 'not previously insured' in the margin.

What is the minimum level of insurance coverage that I need to insure against.

Professional Indemnity insurance.

This depends on the requirements of your own specific professional body.

As there are now many different professional bodies all with differing requirements it is better that you to check directly with your own professional body's compliance department.

Should you be a R.I.C.S. chartered practice the minimum requirements are as follows:-

Limit £250,000 if fees below £100,000

Limit £500,000 if fees below £200,000

Limit £1,000,000 if fees £200,000 and over.

Any insurance coverage in excess of your professional body's minimum requirements is not mandatory but may be prudent for other reasons. Please contact Pinsure for further advice should you be unsure of what your personal requirements may be.

Employers Liability Insurance

If you employ staff it is a requirement to hold and maintain Employers Liability Insurance for at least the minimum level required by the law. At present the minimum level of cover required is £5 million, which includes costs. Your employer can have more than one policy for employers' liability insurance. In this case, the total value of the cover provided by the policies must be at least £5 million. In practice, most insurance companies provide cover of £10 million or more as standard coverage.

Property professionals Professional Indemnity Insurance Proposal Form

The completion of this form in no way binds the Proposer to purchase insurance, nor does it bind Underwriters to give insurance. Any information given will only be passed to Underwriters for the purpose of quotation and will be treated as confidential.
 (Please note that in some cases Insurers may require additional information prior to offering quotations)

1) Name of practice: _____ Establishment Date: _____
 Address: _____
 POST CODE: _____

Contact Tel No: Fax. No: Mobile No:

2) Details of all Principals, Partners or Directors

Name	Age	Qualifications

Is the firm associated financially or otherwise with any other firm(s) or company(s)? . YES / NO
 (if yes please provide details)

3) Annual fee / brokerage income. (if new practice please provide a first year projection)

	200.....	200.....	200.....	Estimate for next year
Total Gross Fees for last three years:	£	£	£	£
Largest Fee from any one client:	£	£	£	£

Date of year end: / / 20
 Is all of your work undertaken within and derived from clients based in the United Kingdom: YES / NO
 (if no please provide full details)

4) Split of Activities, with percentage breakdown to total 100% (estimated if no historical data):

Commercial Estate Agency	%
Residential Estate Agency	%
Survey and Valuation for a fee	%
Commercial Letting Agency	%
Residential Letting Agency	%
Property Management	%
Building Society Agency	%
Any other work (Full description of activity please)	%
Total	100%

5) What was the value of your largest property ever
 1) sold £ 2) let £ 3) surveyed £ 4) valued for a fee £

6) Have any claims in respect of the risks to which this form relates ever been made against the business or any of the Principals, Partners or Directors? YES NO

7) Are any of the Principals, Partners or Directors, **AFTER FULL ENQUIRY**, aware of any circumstance which might give rise to any such claim? YES NO

8) Has any proposal in respect of the risks to which this form relates ever been declined or has any such insurance ever been cancelled or renewal refused? YES NO

If **YES** to any question, please provide details on a separate sheet.

9) To the best of your knowledge have any officers of the proposer ever been prosecuted or convicted or involved in acts of fraud or dishonesty. YES / NO
 (if Yes please provide full and precise details):

10) Does the firm currently hold Professional Indemnity Insurance and if so for how long?years YES NO

What Limit of Indemnity do you require?	£100,000	£250,000	£500,000	£750,000	£1,000,000
State amount if greater: £.....					

Name of current insurers	Retroactive date of current policy:/...../.....
Current limit of indemnity: £	Current excess level: £
Renewal date: / / 200	Current Premium: £

11) Do you require quotations for Public Liability, Employers liability, commercial combined? (if you tick yes we will contact you with further details). YES NO

I/we declare that, after full enquiry, the contents of this proposal are true and that I/we have not misstated, omitted or suppressed any material fact or information. I/we agree that this proposal together with any other information supplied by me/us shall form the basis of any contract of insurance which may be effected. If there is any material alteration to the facts and information which I/we have provided or any new material matter arises before, during or after the completion of the contract of insurance, I/we undertake to inform Underwriters.

Signature of Principal / Partner / Director _____ Date / / 200.....

Please retain a copy of your completed form for your records.

Pinsure Limited

PROPERTY PROFESSIONALS PROFESSIONAL INDEMNITY INSURANCE PROPOSAL FORM

Additional Information Page

Please use this space should there be insufficient space for full information, you need to enhance on any of your answers to the proposal form questions or should you feel it necessary to add a clarification or relevant additional information statement.