

propertymark

The professional body
for the **property sector**

COMPANY ADVANTAGE

Professional Indemnity insurance

Frequently asked **questions**

Propertymark Ltd is an Appointed Representative of Arthur J. Gallagher Insurance Brokers Limited which is authorised and regulated by the Financial Conduct Authority (Reference number: 311786) and which is permitted to arrange general insurance contracts. Registered address: Arthur J. Gallagher Insurance Brokers Limited, Spectrum Building, 55 Blythswood Street, Glasgow G2 7AT.



Provided by and in partnership with



Please note that these FAQs
are not a substitute for policy
wording. For full T&Cs always
refer to policy documentation.



Background

WHO IS THE INSURANCE BROKER?



The Professional Indemnity Insurance benefit included as part of Company Advantage is provided through Arthur J. Gallagher Insurance Brokers Limited (Gallagher).

Founded in 1927, Gallagher is one of the world's largest insurance brokerage, risk management, and consulting firms, employing over 56,000 people with a global network in more than 130 countries.

With extensive experience and deep insight into the property industry, Gallagher delivers tailored insurance and risk management solutions to meet the specific needs of clients of all sizes, whatever challenges they face.

WHO UNDERWRITES THE POLICY?



The Professional Indemnity Insurance policy included as part of Company Advantage is underwritten by Tokio Marine HCC International Insurance Company PLC.

Established in 1974, Tokio Marine HCC is one of the world's leading specialty insurers, operating in more than 180 countries and offering expertise across over 100 classes of insurance.

With a strong focus on tailored underwriting and high-quality risk management, Tokio Marine HCC brings exceptional experience to the property sector, particularly in the selling, renting, and management of property.

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INDUSTRY SUPPLIER

Gallagher has been the industry approved supplier of insurance for Propertymark for over 35 years, offering a range of specialist insurance products and services designed specifically for property agents.

Why has Professional Indemnity Insurance been included as a part of Company Advantage?

As part of membership, PropertyMark requires that Principals, Partners or Directors (PPDs) provide annual proof that they have adequate Professional Indemnity Insurance in place for their company and a minimum limit of indemnity depending on their fee income and activities, as well as mandatory Fidelity Cover.

As the market has evolved, fidelity cover has become increasingly difficult to secure, with insurers reducing limits or excluding parts of the cover altogether.

Through various audits and review, it has often been established that members are often unsure of the right covers to buy and therefore are not buying the appropriate limits of cover, type of cover and in many cases, do not have appropriate fidelity cover. For a business handling client money daily, fidelity is an integral insurance requirement.

Therefore, to mitigate the risk of members not having appropriate insurance, Gallagher has sourced a specialist Professional Indemnity Insurance which has been designed for property agents, a significant benefit included with Company Advantage.

What are the key features and benefits of the Professional Indemnity Insurance benefit included as a part of Company Advantage?

SUMMARY OF BENEFITS AND KEY INFORMATION:

- Indemnity cover up to £1,000,000
- Fidelity cover included as standard up to £250,000
- Standard excess of £500 per claim
- No restriction on the number of claims per year
- Simple top-up options available
- Full retroactive cover
- Globally recognised insurance broker and provider
- Dedicated account management team for support
- Same standard policy for all Company Advantage packages *

** Subject to Standard Acceptance Criteria, see page 4 for more information.*

Starting your cover

Q: If I have subscribed to Company Advantage, when will my Professional Indemnity Insurance start and when will I receive my new policy documentation?

Once you have signed up and meet the acceptance criteria, your new Professional Indemnity Insurance will begin at the point your existing insurance policy is due to expire. There is nothing you will be required to do, as this rollover onto the new scheme will take place automatically.

You will receive your new Professional Indemnity Insurance policy documentation directly from Gallagher prior to your renewal date for your existing insurance.

Q: If I have opted in for Company Advantage, should I cancel my existing Professional Indemnity Insurance policy?

It is not recommended that you cancel your existing Professional Indemnity Insurance policy with your current insurance broker, as this may leave you exposed to a gap in cover, impact your retroactive date and ability to make a claim.

Once you have enrolled onto Company Advantage and have been accepted under the Professional Indemnity Insurance scheme, it is important that you do not cancel your current insurance policy to ensure that you are provided with continuous cover.

You will automatically be enrolled onto the new scheme, where your new 12-month insurance policy will begin at the time your existing insurance policy is due to expire.

Q: If I sign up to Company Advantage now, but my existing Professional Indemnity Insurance policy does not renew until later this year, will this impact the duration of my cover where the insurance will expire at the same time my Company Advantage is due to end?

No, once you sign up to Company Advantage and meet the standard acceptance criteria, your Professional Indemnity Insurance benefit will begin from the time your existing insurance policy is due to expire. You will automatically be enrolled onto PropertyMark's insurance scheme, where you will be provided with a 12-month policy.

Therefore, even if you do decide not to renew your Company Advantage subscription, your Professional Indemnity Insurance benefit will continue for the full 12-month duration from time the policy inception. The insurance benefit will then expire at your next renewal date.

Q: Depending on the Company Advantage package I subscribe to, will this impact the cover levels and limits for the Professional Indemnity Insurance?

No, the levels of cover and limits applied under the Professional Indemnity Insurance policy will remain the same for the Essential, Premium, and Elite packages of Company Advantage, unless a firm does not meet the standard acceptance criteria and may require bespoke features and adjustments to their levels of coverage.

Standard acceptance criteria and eligibility

Q. What is the standard acceptance criteria that must be met to ensure my firm will qualify for the Professional Indemnity Insurance as a part of Company Advantage?

The standard acceptance criteria that must be met to ensure you are able to qualify for the Professional Indemnity Insurance includes:

- You must be an estate and/or letting agent subscribed to Propertymark Company Advantage
- You do not require more than £1,000,000 indemnity cover limit
- Your business total fees/turnover does not exceed £1,500,000
- You do not undertake any Block Management activities on buildings over 5 storeys and/or more than 20 units and/or you are not directly/indirectly responsible for the Fire Safety measures
- You do not undertake any valuations, other than market valuations and/or fire reinstatement valuations and/or probate valuations
- You have not declared bankruptcy, insolvency, or gone into liquidation or have outstanding CCJs
- You do not undertake more than 20% of Rent-to-Rent activities in relation to your total fee income
- You are not aware of any circumstance or occurrence which may give rise to a claim against you

Q. How will I know if my firm is eligible for Company Advantage, and therefore be provided with the Professional Indemnity Insurance benefit?

If you are wishing to sign up to Company Advantage, Propertymark will require you to complete an application form, which will include questions related to your business activities and Professional Indemnity Insurance requirements to ensure that you will meet the standard acceptance criteria.

When completing your Company Advantage application form, please ensure that you complete all questions as accurately and truthfully to the best of your knowledge, as this may impact your eligibility, your cover and any potential claims in the future under the scheme.

Q. Once I have completed my Company Advantage application form, what will happen if my firm does not meet the standard acceptance criteria for the Professional Indemnity Insurance benefit?

It is important to be aware that once you have completed the Company Advantage Application Form, if it is determined at this point by Propertymark that you do not qualify for the standard acceptance criteria for the Professional Indemnity Insurance, you will not be automatically enrolled onto the scheme, and additional actions will be required from you.

Continued...

Gallagher will contact you to request that you complete a proposal form, where you will need to provide further information regarding your business activities and insurance requirements which you must provide.

Proposal forms must be submitted to Gallagher as soon as possible once firms are made aware that they do not meet the schemes criteria, which will allow Gallagher to take your referral forward to the insurer. Please note, failing to submit your completed proposal form to Gallagher will result in your firm not being included under the professional indemnity insurance scheme.

Q. Why do I have to complete a separate proposal form if it is determined that my firm does not meet the standard acceptance criteria for the Professional Indemnity Insurance scheme?

The reason why we ask for a full proposal form to be completed when a firm falls outside the standard acceptance criteria is because the insurer needs a more detailed understanding of your business and risk profile to properly assess what additional levels of cover you may require and to price your policy accordingly.

Whether it's the nature of the work you do, your claims history or another factor to why you may fall outside of the standard criteria, a completed proposal form gives the insurer the depth of information they need to consider your application fairly and thoroughly. It's also in your best interests, as it means they are taking the time to properly understand your business, rather than declining to offer you cover outright or applying unsuitable terms. This is why you must always answer the questions as accurately and truthfully to the best of your knowledge.

Once you have submitted the completed form, Gallagher will handle the rest and liaise directly with the underwriters on your behalf to try and get you the best possible outcome.

Q. I have submitted my completed proposal form to Gallagher, how long will it take the insurer to review and make a decision whether to accept my firm onto the Professional Indemnity Insurance scheme?

Following the submission of your completed proposal form, please be advised that it can take between 3-5 working days for the insurer to review a referral and present terms. In some cases where the risk is complex, the timescale could be longer where your referral may need an extended review by a senior underwriter.

Once the insurer has completed their review for your referral, where they decide that they are willing to accept the extended risk outside of the standard criteria and increase the cover for your additional business activities, Gallagher will contact you to present the terms.

Q. Will I have to pay an additional premium if I do not meet the standard acceptance criteria for the Professional Indemnity Insurance scheme?

Yes, where any extended levels of cover is required, this may be subject to special changes to the terms and conditions, exclusions, warranties, subjectivities, excesses and any endorsements from the standard policy. Additionally, extended levels of cover will also always result in the requirement for you to pay an additional premium, which is a separate cost outside of your Company Advantage package.

The additional premium 'amounts' will be calculated based on your specific business activities and risk factors that fall outside of the standard acceptance criteria, to ensure the extended cover that you require is accurately priced for your individual risk.

Q. What will happen if I do not pay my additional premium?

Any additional premiums for your insurance will be payable promptly by you, directly to Gallagher.

Please note, should any additional premium remain unpaid, you accept responsibility that your firm will not be included under the Professional Indemnity Insurance scheme.

Q. Once I have paid my additional premium, will I be accepted onto the Professional Indemnity Insurance scheme?

Yes, once the additional premium has been settled by you in full, Gallagher will issue your new Professional Indemnity Insurance policy documentation before your existing insurance is due to expire.

Once you have received your policy documentation, please ensure you take the time to review your documents, paying particular attention to the cover sections, limits, terms and conditions, exclusions, warranties, subjectivities, excesses and any endorsements, to ensure that the cover meets your needs.

Q. Once the insurer has reviewed my completed proposal form, is there a chance that they may refuse or decline offering my firm cover under PropertyMark's Professional Indemnity Insurance scheme?

Yes, where a firm falls outside of the standard acceptance criteria and requires a manual review, upon review of a completed proposal form, the insurer has the right to refuse or decline offering cover if the firm's business activities and risk factors fall too far outside of their underwriting appetite/scope to be acceptable under the scheme.

In a limited number of cases, in the event where the insurer declines to offer a firm cover under the scheme, Gallagher will make you and PropertyMark aware and support you by accessing the market to approach a wide range of insurers to obtain alternative quotes for you to consider.

Please be aware that in this event, all alternative quotes sourced will be outside of the Professional Indemnity scheme, where any insurance premiums will be payable by the firm outside of PropertyMark's Company Advantage package.

Your policy

Q. I have now enrolled onto Company Advantage and received my new Professional Indemnity Insurance policy documentation, where will I find my new policy number?

Once you have signed up to Company Advantage through PropertyMark and have been accepted under the scheme, you will receive your new Professional Indemnity Insurance policy documentation directly from Gallagher.

Within your Policy Schedule, you will be able to locate your 'Beneficiary Identifier / Client Contact Reference', which acts as your individual policy number.

Q. If I decide not to renew my Company Advantage membership, will I still be able to renew my Professional Indemnity Insurance benefit at the point the policy is due to renew?

No, whilst your Professional Indemnity Insurance benefit will continue for the full 12-month duration from the point the policy begins, if you do decide not to renew your Company Advantage membership, the Professional Indemnity Insurance benefit will automatically lapse once the 12-month policy finishes at your next renewal date.

Prior to your renewal date, the Gallagher team will contact you to discuss your insurance options and be able to offer their support in providing alternative quotes for you to consider outside of Company Advantage. It is important to note that you will be responsible for paying the insurance premium directly to Gallagher for any alternative Professional Indemnity Insurance you may decide to take out at this point.

Q. What is the excess?

The standard excess will be £500 in respect of any claim, which shall be deducted from each and every claim paid under the policy.

However, please do refer to your Policy Schedule, which will disclose your excess amount and any special terms – Please note, that if you did not meet the standard acceptance criteria for the scheme initially, where you required any extended levels of cover, the insurers may have applied special changes to the terms and conditions, exclusions, warranties, subjectivities, excesses and any endorsements from the standard policy.

Q. In addition to Professional Indemnity Insurance, does the PropertyMark Company Advantage package also include Office Insurance, Public Liability Insurance, Employers' Liability Insurance, Directors' and Officers' Liability Insurance, and Cyber Insurance?

No, PropertyMark's Company Advantage package includes a Professional Indemnity Insurance benefit only. If you do have additional insurance requirements, the Gallagher team will be able to support you by accessing the market to obtain quotes for an additional range of policies, such as Office Insurance, Public Liability Insurance, Employers' Liability Insurance, Directors' and Officers' Liability Insurance, and Cyber Insurance.

Queries, Claims, and Complaints

Q. I have opted for Company Advantage, and I have a specific question related to my new Professional Indemnity Insurance policy, who do I need to speak to?

Once signed up to Company Advantage through Propertymark, if you have specific questions related to your new Professional Indemnity Insurance policy, contact the Gallagher team, details below.

Q. How do I make a complaint?

Once signed up to Company Advantage through Propertymark, if you wish to make a complaint specifically about the insurance policy or the service you have been provided directly from Gallagher, please contact the Gallagher team as soon as possible, details below.

It is important that you raise any complaints to Gallagher as soon as possible to ensure that the team are able to resolve any dissatisfactions.

CONTACT GALLAGHER

If you need support in obtaining quotes for your additional insurance needs, please contact Gallagher directly by emailing

E-mail: propertymark@ajg.com
Phone: 0800 288 4921

MAKING A CLAIM

If you need to make a claim or make a notification of any circumstances which may give rise to a claim during the period of your insurance, all claim notifications must be made directly to the insurers, Tokio Marine HCC International Insurance Company PLC.

By e-mail: address your claim to to PI Claims and sent to: mail@tmhcc.com

By phone: call 020 7702 4700 and ask for a PI claims underwriter.

By first-class post:
PI Claims, HCC International Insurance Company PLC Fitzwilliam House,
10 St Mary Axe, London, EC3A 8BF

In all circumstances please ensure that you present your 'Beneficiary Identifier / Client Contact Reference', which will be located in your Policy Schedule and acts as your individual policy number.

Definitions

Q. What does 'Any One Claim' mean?

'Any one claim' means that for each claim that occurs the full limit of indemnity is available, therefore in other words, there is no restriction as to the number of claims you can make in a year. For example, with an indemnity limit of £1m, if three separate claims were made on your policy during your insurance year, then the full £1m limit would be available for each of the three claims.

Q. In the Policy Schedule, under 'Retroactive Date', why does it say 'None'?

Firstly, a 'Retro Active Date' is the date from which you have held uninterrupted Professional Indemnity Insurance cover (even if you changed insurer during this time) or a date in the past from which your insurer has agreed to cover you.

For the Professional Indemnity Insurance included as part of Company Advantage, the insurers have agreed to offer full retroactive cover, the policy schedule states 'none' as there is no requirement for a retroactive date to be specified on the policy. Cover will be in place from the point the insured business began trading (and where cover will respond to a claim that is reported during the policy period, regardless of when the work was undertaken or advice given).

Q. What is an 'Excess'?

The 'Excess' is the first part of any claim which is your responsibility to pay.

The excess amount for the Professional Indemnity Insurance included as a part of Company Advantage is £500, which shall be deducted from each and every claim paid under the policy.

Q. What is Fidelity Insurance Cover?

Fidelity Insurance Cover, also known as Fidelity Guarantee Insurance, is typically a separate insurance cover from Professional Indemnity Insurance, however it has been included as standard under Company Advantage.

Fidelity Insurance Cover helps protect a company from losses that may occur due to the dishonest or fraudulent activities of its employees or other stakeholders. This type of insurance helps protect companies against financial damages caused by illegal activity committed by workers, vendors, customers, or other third parties, for which, the company is held liable.

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