

When you think about insurance, the words boring or mundane will possibly spring to mind. Those who think a little deeper about it will probably worry about the huge costs associated with a multitude of seemingly useless services. The truth is, insurance doesn't have to be expensive and it shouldn't be considered a waste of money for you and your company. You wouldn't drive your car without insurance; neither would you choose not to insure your house, so why do so many people not consider insurance for their business?

Why do I need insurance?

For some there is a legal requirement to hold insurance. The Employers Liability legislation requires all employers to provide legal liability cover for their employees as they could suffer injury as a result of their activities. This rule has limited exceptions in law, however a limited company employing only its director, who also owns 50% or more of the share capital is exempt from Employers Liability legislation. If this applies to you then the law does not require you to hold any insurance, but any prudent individual would normally choose to protect themselves from liability which might arise as a result of their business activities.

In a vast majority of cases, contract conditions will insist that you hold certain insurance cover, usually Professional Indemnity, Public Liability and Employers Liability. Failure to provide this cover could lead to you being prevented from working as you will be in breach of contract.

What insurance should I have?

As a freelance contractor or consultant there are a number of different insurance products that you can purchase, but deciding what you need can be difficult. With an extensive knowledge of the freelance industry, Kingsbridge Professional Solutions have put together a cost effective package to meet the main exposures you or your business could face. By carefully selecting cover appropriate for you we have removed the complication of picking cover and limits to purchase separately.

Summarised below are an explanation of each of the covers provided in our unique package and why they are appropriate for you:

Professional Indemnity: Protection for claims made against you as a result of allegations of professional negligence. Cover includes legal defence costs and any damages awarded. Claims for negligence can be made against any company providing professional services.

As a professional, the design, advice or specification you provide in the course of your business will be relied upon by others. Any errors or bad advice which you give could lead to financial loss from those relying on your advice.

Cover is provided on a "claims made" basis. Effectively cover needs to be in force at the time the claim is brought against you, so we advise that Professional Indemnity is a long term commitment. It should not be purchased just whilst you are on assignment or contract, as the cover ends as soon as you cancel or lapse the policy.

Public Liability: Protection against claims for legal liability, in respect of accidental bodily injury to third parties, or damage to third party property arising in the course of your normal business activities.

Whether on your own premises or at a clients site – you have a duty to protect anyone who might be affected by your activities. If you fail in this duty and someone is injured, or property is damaged as a result of your actions then you could become legally liable to them for compensation.

Personal Accident Cover: If you are injured as a result of an occupational accident and are unable to work, then you are likely to suffer financial loss. Your employment status means you will more than likely have no other person to hold responsible. Regardless of blame, Personal Accident cover will pay you a weekly benefit whilst you recover from your injury. In addition lump sum payments are payable for death or permanent disability resulting from an occupational accident.

Employers Liability: Protection against claims from employees for legal liability in respect of injury or disease which arise in the course of their work and for which you are deemed to be responsible. Employers Liability insurance is a compulsory insurance for all employers with limited exceptions in law.

Most clients and agencies do not understand the legal exceptions to the legislation and many contracts are drawn up without regard for the true legal requirements. To assist our policyholders in achieving compliance with contractual obligations Employers Liability cover appears on our schedule. Note - those who are not exempt from the legislation must ensure they hold an Employers Liability certificate to comply with the law. Always contact your broker for advice.

Directors and Officers: Directors and Officers Liability Insurance provides financial protection for you as the director of your company in the event you are sued in conjunction with the performance of your duties as they relate to the company. As a director you have numerous responsibilities for which you can be held personally liable – this cover will provide for legal defence costs to protect your financial assets

How much does it cost?

Surprisingly, not as much as you may think. Kingsbridge Professional Solutions offers a dedicated insurance package with the following covers and only costs £435 inclusive, (based on a one off payment).

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| Professional Indemnity - limit per original cause (and in the aggregate) | £1,000,000 |
| Employers Liability – limit per original cause (unlimited in the aggregate) | £10,000,000 |
| Public Liability – limit per original cause (unlimited in the aggregate) | £5,000,000 |
| Occupational Personal Accident – Weekly benefit (max 52 weeks) | up to £500 per week |
| Occupational Personal Accident – Death benefit | £100,000 |
| Directors & Officers Liability – limit per original cause (and in the aggregate) | £100,000 |

Remember that this is a business expense and could therefore be tax deductible with a resultant cost to your business of less than £300. Please note individual circumstances may vary so you should check this with your accountant.

Where can I buy a suitable package from?

For instant cover you can either buy your policy online at www.KPSol.co.uk or by calling us on **0845 643 0061**. It's a simple process and policy documents are delivered by email within minutes.

Is there anything else I should be aware of?

Kingsbridge Professional Solutions provides cover directly to you. A number of associations and groups provide cover for members on a shared basis, i.e. an indemnity limit which is shared by many hundreds (or even thousands) of policyholders. If the indemnity limit were exhausted by other members claims you could be left with no cover.

Some providers offer short term professional indemnity cover to fit in with assignments, but for professional indemnity cover we deem this as an example of poor advice. Claims are more than likely to be made after the assignment has terminated, but if you took out a short term policy then you would be left without cover. We only sell annual policies and our advice is to consider this a long term commitment to protect yourself and your business.

Whilst some of the cover we offer may not be a contractual obligation for you, we believe that our package provides cover for exposures that many freelance workers have not fully considered, but which could have a devastating effect on them. By building these into our package but keeping the price as low as possible you can rest easy, fully protected without having to worry about the cost.