

## Coronavirus - FAQ for Brokers TMHCC - Professional Risks Liability

	EL	PL	CAR	21.2.1
<b>Is cover provided for claims arising in connection with Coronavirus?</b>	Yes - subject to policy terms. There is no relevant exclusion.	Yes - subject to policy terms. There is no relevant exclusion.	Yes - subject to policy terms. There is no relevant exclusion.  Our CAR policy provides cover for 'physical loss or physical damage' and DOES NOT extend to provide any cover for financial loss arising from business interruption, additional cost of working, delayed start-up, advanced loss of profit etc.	Yes - subject to policy terms. There is no relevant exclusion.
<b>The Policyholder's business is still trading during the lockdown. How should they protect their employees and any third parties who could potentially be exposed to Coronavirus?</b>	They should follow Government advice which can be found here:  <a href="https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19/guidance-for-employers-and-businesses-on-coronavirus-covid-19" style="color: white;">https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19/guidance-for-employers-and-businesses-on-coronavirus-covid-19</a>  Risk assessments will need to be updated and the appropriate action taken.		N/A	N/A
<b>Is cover provided where employees are working from home?</b>	Yes, but remember that employers have the same duty of care towards employees whilst working at home. The Policyholder needs to undertake suitable risks assessments including DSE, lone working, stress and act accordingly. Refer to the HSE website for further information: <a href="https://www.hse.gov.uk/toolbox/workers/home.htm" style="color: blue;">https://www.hse.gov.uk/toolbox/workers/home.htm</a>		N/A	N/A

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<b>What precautions should be taken if the business is temporarily closed or if work on site has ceased?</b>	N/A	<p>Ensure premises/contract sites for which the Policyholder is responsible are secure/guarded in order to prevent unauthorised access.</p> <p>Ensure utilities and services are left in a condition that minimises the risk of fire/water damage.</p> <p>Plant, tools and equipment removed from contract sites should be securely stored in locked premises.</p>		N/A
<b>If a Policyholder's business is temporarily closed - can they cancel their policy?</b>	<p>We would strongly advise against this for the following reasons:</p> <p>In the UK Employers' Liability insurance is compulsory and there is no exemption for businesses that are temporarily closed.</p> <p>All our policies are triggered when the loss happens/occurs or is caused. This means it must be in force at that time. Even if the business has temporarily closed, the policy can still be triggered:</p> <ol style="list-style-type: none"> <li>1. Claims can arise from work that has already been completed and products that have already been sold/supplied. The date of the occurrence will be the date the loss happened, not when the work was undertaken or the date the product was sold</li> <li>2. If the business owns/occupies a premise or is responsible for a contract site then there is still the potential for losses even when closed/unoccupied – for example, spreading fire, escape of water and injury to trespassers</li> <li>3. Under a CAR policy, there may be unfinished works that still require cover to be in place, sometimes to fulfil contractual requirements, and cover will still be required for plant, tools and equipment</li> <li>4. Under a 21.2.1 policy it is often very hard to pinpoint exactly when damage 'occurred', and this may be at a later date than when the contract work was initially undertaken.</li> </ol>			
<b>If a policy is shortly due for renewal and trading has temporarily been suspended is there any point renewing it?</b>	<p>For the reasons explained above we would recommend that any on-going business maintains continuity of cover.</p> <p>If the Policyholder is considering not renewing their policy due to the current uncertainty, please speak to us as we should be able to offer an extension at little or no cost.</p>			

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<b>If Wage Roll and T/O figures are going to be much lower than originally estimated, is the Policyholder entitled to a partial refund of the premium they have paid?</b>	<p>We will look sympathetically at declarations where figures produce a premium that is lower than any Minimum &amp; Deposit paid.</p> <p>In exceptional circumstances we may be able to give a refund prior to the expiry of the current policy period, subject to receipt of revised annual estimates and, for CAR business, updated sums insured.</p>			<p>Assuming the contract will continue as originally planned once the lockdown is over, we will happily extend the policy period free of charge for a period equivalent to that of the lockdown.</p>
<b>What if a business is closed, and the employees are furloughed?</b>	<p>If the business is closed and employees are furloughed, and not undertaking any work on behalf of the Policyholder, then any wages paid under the government scheme should be EXCLUDED from wage roll estimates and declarations.</p>	N/A	N/A	N/A

*All the information provided above applies solely in respect of policies issued by the TMHCC Professional Risks Liability team*