

# Commercial legal policy

## **Policy summary**

**National Hairdressers' Federation Limited and National Beauty Federation**

The purpose of this summary is to help you understand your insurance policy. It sets out the significant features, benefits, limitations and exclusions but does not form part of your policy or contain the full terms of the policy. You should read the full policy wording for a full description of the terms of the insurance, including definitions.

**Insurance provider**

The insurance is underwritten by Markel International Insurance Company Limited, 20 Fenchurch Street, London EC3M 3AZ and is administered by Abbey Legal Protection, a trading division of Abbey Protection Group Limited.

**Who is this policy for?**

It is designed for businesses who want to insure against the costs of legal or professional representation they will incur in the types of disputes described in the sections of cover below.

**Period of insurance**

The period of insurance is for 12 months or as otherwise stated in your policy schedule.

**Premium**

The premium payable is as stated in your policy schedule

**Claims notifications**

This is a claims made policy which covers claims notified to us within the period of insurance.

**Significant features, benefits limitations/exclusions**

The following tables set out the significant features and benefits described in the sections of cover below and the significant/unusual limitations and exclusions of the policy

**Significant features**

<b>The most that we will pay any one claim</b>	Court attendance costs - £100 per day per employee up to £1,000 Tax protection (Aspect enquiry) - £2,000 All other Sections of cover - £50,000
<b>The most that we will pay for all claims in the period of insurance</b>	Court attendance costs - £10,000, per insured All other Sections of cover - £1,000,000, per insured
<b>Territorial limits</b>	The United Kingdom of Great Britain and Northern Ireland, the Isle of Man and the Channel Islands
<b>Excess (any one claim)</b>	Tax protection - £250 All other Sections of Cover - £0
<b>Minimum sum in dispute</b>	Nil
<b>Reasonable prospects of success</b>	Your case must have at least a 51% chance of success, unless your claim is made under one of the following sections: <ul style="list-style-type: none"><li>- Employment disputes - Employment Tribunals response (ET3)</li><li>- Employment disputes - Pre-hearing review/Employment status disputes</li><li>- Court attendance costs</li></ul> If there is 50% or less chance of the above we will not provide cover

<b>The sections of cover you benefit from are as stated in your policy schedule</b>	
<b>Policy benefits/sections of cover</b>	<b>Significant exclusions/limitations</b>
<p><b>Employment disputes</b> Cover for costs of representation in defence of an employment dispute at a/an:</p>	
<p><b>Employment Tribunal response (ET3)</b> To enter a response to a claim (ET1)</p>	
<p><b>Pre-hearing review/employment status disputes</b> To decide the employment status of a worker alleging to be an employee</p>	
<p><b>Employment Tribunal hearing</b> Preparation for the hearing or negotiating settlement</p> <p><b>County or High Court proceedings</b> Representation or negotiating a settlement</p>	<p><b>Employment Tribunal hearing / County or High Court proceedings only</b> We will not cover you if you have not followed either the advice of Ellis Whittam at the following times:</p> <ol style="list-style-type: none"> <li>1. Before suspending, disciplining, dismissing, starting a retirement or redundancy process or making or proposing to make changes to the terms of an employee's contract of employment which may be unfavourable to the employee</li> <li>2. When notified of a grievance, a complaint of discrimination (such as sex, race, religion etc) or an appeal from an employee against action you have taken against them</li> <li>3. When an employee resigns or walks out after expressing verbal or written dissatisfaction</li> </ol> <ul style="list-style-type: none"> <li>• Where advice is provided to achieve your required aims which aren't compliant with employment law and/or best practice</li> </ul>
<p><b>Employment compensation awards</b> Cover for basic and compensatory awards provided to you, currently have a claim accepted under Section of cover: <b>Employment Tribunal hearing:</b></p>	<p><b>All of Employment compensation awards</b> We will not cover you if the Employment Tribunal ordered you to reinstate an employee and you failed to do so</p>
<p><b>Awards of compensation</b> Compensation you are ordered to pay by a Tribunal</p>	
<p><b>Settlement of a dispute</b> Compensation agreed by us in settlement of a dispute</p>	
<p><b>Tribunal fees</b> Tribunal fees you are ordered to pay by the Tribunal or Tribunal fees as agreed in a settlement</p>	
<p><b>Eviction</b> The eviction of your tenant, employee/ex-employee following the expiry of the tenancy or licence granted for the use of property</p>	<p><b>Eviction</b> Where you have not issued enforceable statutory or contractual notices which require tenant or licensee to leave the property</p>

<p><b>Tax protection</b> Cover for costs in representing you before HMRC in respect of a/an:</p>	<p><b>All of Tax protection</b> We will not cover enquiries where:</p> <ul style="list-style-type: none"> <li>• There is not a reasonable prospect of reducing the liabilities alleged by HMRC</li> <li>• You have missed a tax deadline or wholly provisional figures are used</li> <li>• There is an allegation of fraud, tax avoidance or the defence of a criminal prosecution</li> <li>• National minimum wage or living wage are alleged not to have been paid</li> </ul>
<p><b>Aspect enquiry</b> HMRC formal notice to carry out an aspect enquiry into part(s) of your income or tax return</p>	
<p><b>Full enquiry</b> HMRC formal notice to examine all your financial records of income and corporation tax</p>	
<p><b>National Insurance and PAYE disputes</b> HMRC dissatisfaction with P11Ds or P9Ds or PAYE or NIC affairs after employer compliance visit</p>	
<p><b>VAT disputes</b> Alleged failure to pay VAT</p>	
<p><b>Court attendance costs</b> We agree to pay:</p>	<p>We will not cover you for:</p>
<p><b>Jury service</b> The amount of money you pay your employee, director or partner each day they attend jury service at a court, less any recovery from the court</p>	
<p><b>Witness attendance allowance</b> The cost of your employees attending court as witnesses on your behalf provided that at the time of a claim under this section you have an accepted claim for this court appearance under this policy</p>	<p><b>Witness attendance allowance</b></p> <ul style="list-style-type: none"> <li>• Expert witnesses</li> <li>• Salaries or wages</li> <li>• Costs which could be claimed from a prosecuting authority</li> </ul>
	<p><b>What is not covered by this policy?</b></p> <ul style="list-style-type: none"> <li>• Any claims where you do not have reasonable prospects of success in your case</li> <li>• Any costs incurred before we have consented to those costs being incurred</li> <li>• Pre-existing circumstances</li> </ul>

### **Advice**

You will have free access to employment and Health and Safety telephone advice services by calling the Ellis Whittam Advisory Service.

You will have free access to legal and tax telephone advice services by calling the Abbey Advice Line.

### **Claims handling and notification**

Where recourse is necessary to a lawyer and proceedings are issued you are free to choose your own lawyer or suitably qualified representative provided the proposed lawyer or suitably qualified representative is appropriate and their proposed charging rate is fair and reasonable with regard to the particular proceedings.

Initial notification of a claim must be made immediately by writing to:

Ellis Whittam Ltd  
Woodhouse  
Aldford  
Chester  
Cheshire  
CH3 6JD  
Tel: 0845 226 8393  
Fax: 0845 226 8384

### **Cooling off**

If you are an individual acting for purposes outside your trade, business or profession, you have a right to change your mind and cancel your Policy within 14 days of insuring with us and receiving your policy documents, by writing to:

Ellis Whittam Ltd  
Woodhouse  
Aldford  
Chester  
Cheshire  
CH3 6JD

No charge will be made and any premium you have already paid will be refunded.

### **Your right to complain**

If you are not satisfied with any aspect of our service or the insurance provided, you should contact us by writing to:

The Customer Services Manager  
Abbey Legal Protection  
20 Fenchurch Street  
London  
EC3M 3AZ  
Email: [complaints@abbeylegal.com](mailto:complaints@abbeylegal.com)

We will do our best to resolve your complaint but, if you are still not satisfied, you can refer the matter to The Financial Ombudsman Service.

The Financial Ombudsman Service  
Exchange Tower  
Harbour Exchange Square  
London  
E14 9SR  
Helpline: 0800 023 4567  
Switchboard: 020 7964 1000  
Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

If you were sold this product online or by other electronic means and within the European Union (EU) you may refer your complaint to the EU Online dispute Resolution (ODR) platform. Upon receipt of your complaint the ODR will escalate your complaint to your local dispute resolution service – this process is free and conducted entirely online. You can access the ODR platform on <http://ec.europa.eu/odr>.

### **Your right to compensation**

The Insurer is covered by the Financial Services Compensation Scheme (FSCS). The Insured may be entitled to compensation up to 90% of the Claim in the unlikely event the Insurer cannot meet its obligations. Further information about compensation arrangements is available from the FSCS.

### **Applicable Law**

If there is a dispute between you and the Insurer, you and the Insurer are free to agree the law applicable. Unless specifically agreed to the contrary this insurance shall be subject to the laws of England and Wales.

## IMPORTANT CHANGES TO YOUR INSURANCE COVER

Changes to Sections of Cover			
Cover Position	Cigna Legal Protection	Abbey Legal Protection	Description
No Change to cover	A Employment Rights	Employment Disputes and Employment Compensation Awards	Previously Awards of Compensation were included within the Employment Disputes Section, these are now two separate sections of cover
Clarification	A Employment Rights	Employment Disputes - Pre-hearing review/Employment status disputes	Clarification that cover is provided to defend Employment Tribunal claims brought by workers (who are not employees) at a pre-hearing review to assess employment status
Clarification	A Employment Rights	Employment Disputes - County or High Court proceedings	Clarification that cover is provided for contractual employment claims heard at the county or high court
Clarification	A Employment Rights	Employment Compensation Awards	The new Section of cover: Employment compensation awards is broken down to show what will be paid, including tribunal fees or to settle a dispute
<b>New</b>	-	Tax Protection	Cover is <b>enhanced</b> to include IR35 disputes or enquiries
<b>New</b>	-	Tax Protection	Cover is <b>enhanced</b> to provide cover for Directors and business partners
<b>New</b>	-	Tax Protection - Aspect enquiry	Cover is <b>enhanced</b> to provide cover for Aspect Enquiries
Clarification	C and D Taxation	Tax Protection	Clarification of cover with up to date Tax terminology
Clarification	Jury Service	Court attendance costs – Jury service	Cover for Jury service claims is included under a more clearly defined Section
Clarification	Definition of Legal Expenses	Court attendance costs - Witness attendance allowance	Cover of witness attendance claims is included under a more clearly defined Section

<b>Changes to Conditions</b>			
<b>Enhancement</b>	Claims Settlement Condition - Consent	Claims condition - When we will agree to cover Your Claim (Our consent)	The prospects of success condition no longer applies to the following Sections of cover: <ul style="list-style-type: none"> <li>• Employment disputes - Employment Tribunals response (ET3)</li> <li>• Employment disputes - Pre-hearing review/Employment status disputes</li> </ul>

The above is just a summary of the changes and improvements we have made for you. For full details of your policy cover, terms and conditions please refer to your complete policy document and accompanying schedule.

**What should I do if I want more information?**

Please contact Ellis Whittam who will be happy to help.



# AbbeyLegal

Legal Protection Insurance

**Abbey Legal Protection**

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