

policy document

FUNERAL DIRECTORS

PROFESSIONAL INDEMNITY INSURANCE



INSURANCE PROVIDED BY

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Introduction

This insurance covers only losses which arise from claims made against those Insured and notified to us during the period of insurance.

It is most important that you notify us as soon as you become aware of any claim being made against you or any circumstances that might reasonably be expected to bring about a claim. This includes complaints made under the Funeral Arbitration Service or less formal written or oral complaints received from customers. If in doubt, always notify. The actions to be taken by you in the event of any incident which may give rise to a claim are shown in the Conditions on pages 12 and 13.

Claims enquiries

To report a new claim, call the NAFD on

(0121) 711 1636

You can call Ecclesiastical for enquiries about your claim on

0845 603 8381

Policy information

Please read this policy carefully to ensure that it meets your requirements.

The policy consists of

This policy document

This contains the general policy Preamble, Definitions, Cover, Exclusions and Conditions which incorporate definitions and terms that apply to the whole policy.

The policy schedule

This shows those things that are individual to your insurance e.g. the identity of the Policyholder, the business being covered, the period of insurance, the limit of indemnity, the excess and any special clauses.

At renewal we may send you a further document called 'Updates to your policy' - this shows changes to the policy document. Please retain these 'Updates to your policy' notices, plus the latest schedule, with your policy document.

Professional indemnity insurance

Preamble

The Ecclesiastical Insurance Office plc (the Company) and the Insured named in the schedule agree that

- (1) This policy document the schedule (including any replacement schedule) and any endorsement shall together form the policy and be considered as one document
- (2) The Insured will pay the premium
- (3) The Company will subject to the terms and conditions of this policy provide insurance under the covers specified in the schedule during the period of insurance or any subsequent period for which the Insured shall pay and the Company shall accept the renewal premium
- (4) This policy shall be governed by and construed in accordance with the law of England and Wales unless the Insured's central administration and/or place of establishment is located in Scotland in which case the law of Scotland shall apply
- (5) A person or company who is not a party to this policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this policy but this does not affect any right or remedy of a third party which exists or is available apart from that Act

Definitions

Each time any of the following words or phrases appear in this document in bold italic type they will take the specific meaning shown below unless more specifically defined under each individual policy section

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Agent

means any person or firm directly appointed by the ***Policyholder*** or the ***Predecessors*** to act on their behalf

Asbestos

means asbestos asbestos fibres or any derivatives of asbestos including any product containing any asbestos asbestos fibres or any derivatives of asbestos

Bodily injury

means bodily injury death disease or illness

Business

means the business of the ***Policyholder*** as stated in the schedule

Company/we/our/us

means Ecclesiastical Insurance Office plc

Computer

means computer or other equipment media or system or any part of them for processing storing or retrieving data to include without limitation any microchip integrated circuit or similar device or any computer software

Damage

means physical loss destruction or damage

Denial of service attack

means any actions or instructions constructed or generated with the ability to damage interfere with or otherwise affect the availability of networks network services network connectivity or information systems

This includes but is not limited to the generation of excess traffic into network addresses the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks

Documents

means

- (a) all documents other than bearer bonds coupons bank notes currency notes and negotiable instruments
- (b) computer system records

Employee(s)

means

- (a) a person under a contract of service or apprenticeship with the ***Policyholder*** or ***Predecessor***
- (b) work experience trainees of the ***Policyholder*** or ***Predecessor***

Excess

means the first amount of each and every claim up to the amount set out in the schedule or elsewhere in this policy

Unless specified otherwise all claims due to the same act error or omission or series of acts errors or omissions due to the same cause will be treated as one claim

Hacking

means unauthorised access to any computer or other equipment or component or system or item which processes stores transmits retrieves or receives data whether the

Policyholder's property or not

Insured

means the **Policyholder** any partner or former partner of the **Policyholder** or **Predecessor** and at the **Policyholder's** request any **Employee**

In the event of the death incapacity or bankruptcy of an **Insured** other than the **Policyholder** indemnity is provided to the estate heirs legal representatives or assigns of such **Insured**

Policyholder

means the organisation specified in the schedule who represents all **Insureds** in respect of all matters relating to this insurance

Pollution or contamination

means **bodily injury** or **damage** directly or indirectly caused by or arising out of pollution or contamination of buildings or other structures or of water land or the atmosphere

Predecessor

means any person or organisation to which the **Policyholder** has succeeded

Terrorism

means any act including but not limited to the use of force or violence and/or the threat thereof of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political religious ideological ethnic or similar purposes or reasons including the intention to influence any government and/or to put the public or any section of the public in fear

Virus or similar mechanism

means program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self-replication or not

This includes but is not limited to Trojan horses worms and logic bombs

Cover

We will indemnify the **Insured** against all sums which the **Insured** shall be legally liable to pay as damages and all costs and expenses reasonably incurred arising from any claim or claims first made against the **Insured** and notified to **us** during any period of insurance and arising out of the conduct of the **business**

Cover 1

Breach of professional duty by reason of any neglect error or omission occurring or committed in good faith by

- (a) the **Policyholder**
- (b) any partner or former partner of the **Policyholder**
- (c) any **employee**
- (d) any **agent**
- (e) any **predecessor**
- (f) any person or organisation acting jointly with the **Insured**

Cover 2

Dishonesty due to any dishonest or fraudulent act or omission on the part of any **employee** or **agent** provided that

- (a) no person committing or condoning such dishonest or fraudulent act or omission shall be entitled to indemnity
- (b) if **we** request the **Insured** shall take all reasonable steps to effect recovery from the person committing or condoning such dishonest or fraudulent act or omission or from the legal representatives of such person
- (c) the following shall be deducted from any amount payable under this insurance
 - (i) Any monies which but for such dishonest or fraudulent act or omission would be due from the **Insured** to the person committing or condoning such act or omission
 - (ii) Any monies held by the **Insured** and belonging to such person
 - (iii) Any monies recovered following action as described in (b)
- (d) **we** shall not be liable for any claim arising from any dishonest or fraudulent act or omission committed by
 - (i) any person after the discovery in relation to that person of reasonable cause for suspicion of fraud or dishonesty
 - (ii) any director of the **Insured**

Cover 3

Libel and slander committed in good faith by any partner former partner or principal of the **Policyholder** or any **agent employee** or **predecessor**

Cover 4

If during the currency of this insurance the **Insured** discovers **damage** to any **documents** the property of or the responsibility of the **Insured** and if lost after a thorough search these cannot be found **we** will indemnify the **Insured**

- (a) against legal liability in consequence of such **documents** having been damaged or lost and
- (b) for costs and expenses reasonably incurred in replacing or restoring such **documents** up to a maximum of £50,000 any one period of insurance

Provided that

- (i) such **damage** is sustained in the ordinary course of the **business** and the **documents** are in the custody of the **Insured** or in the custody of any other person with whom such **documents** have been entrusted by the **Insured** or are in transit
- (ii) that where **documents** are in electronic format the **Insured** can demonstrate to **our** reasonable satisfaction that the **Insured** had in place sufficient and proper procedures for the security and the daily back-up of **documents**

Cover 5

If **we** request that any of the **Insured** attend court as a witness in connection with a claim under this cover **we** will provide the following rates of compensation for each day on which attendance is required

- (a) Any principal partner or director of the **Insured** £200
- (b) Any **employee** £100

Extensions

Each of the following is subject otherwise to the terms of the policy

Extension 1 Conciliation service and arbitration

We will indemnify the **Insured** for awards agreed under the National Association of Funeral Directors conciliation service or by referral to the Chartered Institute of Arbitrators if such an award would otherwise be the subject of a valid claim under Cover 1 or 2

Extension 2 Theft of prepayment fees

We will indemnify the **Insured** for claims arising out of theft of clients prepayment fees by any partner director or principal of the **Insured** subject to the following

- (1) **Our** liability for damages costs and expenses in respect of any one claim notified to **us** during any period of insurance shall not exceed £50,000 and arising out of all claims notified to **us** during any period of insurance shall not exceed £500,000
- (2) An **excess** of £100 each and every claimant

we shall not be liable in respect of claims resulting from Administration liquidation or receivership

Amount payable and excess

Unless stated otherwise the amount of **our** liability for damages costs and expenses in respect of any one claim and in the aggregate in any one period of insurance shall not exceed the limit of indemnity shown in the schedule

If **we** are liable to indemnify more than one party the total amount of indemnity for damages costs and expenses to all such parties including the **Policyholder** shall not exceed the limit of indemnity

We will not pay costs and expenses incurred in endeavouring to secure a recovery in accordance with paragraph (b) of Cover 2

Where an **excess** is specified this amount shall be borne by the **Insured** and **our** liability shall only be in addition to this amount

Exclusions

We shall not be liable in respect of

- (1) any liability arising from **bodily injury** to any **employee** caused in connection with the **business**
- (2) any liability arising from **bodily injury** to any other person or **damage** to property except as otherwise stated unless arising out of advice design specification or omission to perform a professional duty
- (3) any claim arising from the provision of advice design or specification where the **Insured** contracts to
 - (a) manufacture construct erect or install or
 - (b) supply materials or equipment
- (4) any claim arising from an agreement by the **Insured** to pay penalties or liquidated damages in so far as liability under such agreement exceeds the amount of the **Insured's** liability in the absence of such agreement
- (5) any claim arising from any breach of any obligation owed by the **Insured** as employer to any **employee** or former **employee**
- (6) the consequence of any circumstance known to the **Insured** at the inception of this insurance which might reasonably be expected to produce a claim
- (7) (a) **damage** to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss
 - (b) any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from
 - (i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - (ii) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
- (8) **damage** directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds
- (9) liability in respect of **pollution or contamination** other than caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the period of insurance

All **pollution or contamination** which arises out of one incident shall be deemed to have occurred at the time such incident takes place

Notwithstanding anything contained herein to the contrary **our** liability for all compensation payable in respect of all **pollution or contamination** which is deemed to have occurred during the period of insurance shall not exceed in the aggregate the limit of indemnity shown in the schedule
- (10) any claim made or action brought before any arbitrator or court of law within the legal jurisdiction of the United States of America or Canada or which is instituted inside those territories to enforce a judgement made outside those territories whether by reciprocal agreement or otherwise
- (11) any contingency liability or **damage** occasioned by or happening through war invasion act of foreign enemy hostilities or warlike operations (whether war be declared or not) civil commotion assuming proportions of or amounting to a popular rising civil war military rising mutiny rebellion revolution insurrection military or usurped power or martial law

- (12) any claim directly or indirectly caused by resulting from or in connection with **terrorism** regardless of any other contributory cause
This insurance also excludes any claim directly or indirectly caused by resulting from or in connection with any action taken in controlling preventing suppressing or in any way relating to **terrorism**
If **we** allege that by reason of this exclusion any claim is not covered by this policy the burden of proving the contrary shall be upon the **Insured**
- (13) **damage** in respect of **documents** caused by **virus or similar mechanism** or **hacking** or **denial of service attack**
- (14) any liability arising directly or indirectly from mining processing manufacturing removing handling disposing of treatment of distributing or storing of **asbestos**
However this shall not apply where removing handling or disposing of **asbestos** does not form part of the **Policyholder's** usual business or any contract work undertaken and
- (a) the **Policyholder** has complied with any legal obligations to manage **asbestos** and
 - (b) any discovery of **asbestos** by the **Policyholder** is unintentional and accidental and
 - (c) whereupon discovery of **asbestos** all work immediately stops and
 - (d) a HSE licensed asbestos removal contractor is employed to make safe the area in which the discovery is made as soon as is practicable and who has Employers' and Public liability insurance in force which provides limits of indemnity no less than those provided by the **Policyholder's** policies and which do not exclude the work to be carried out
- (15) any liability arising directly or indirectly from fears of the consequences of exposure to or inhalation of **asbestos**

Conditions

- (1) This policy shall be voidable in the event of a material misrepresentation misdescription or nondisclosure
- (2) **We** may cancel the policy by sending seven days' notice by recorded delivery to the **Policyholder** at the **Policyholder's** last known address and shall refund to the **Policyholder** the proportionate premium for the unexpired period of cover
- (3) **We** may start take over defend and conduct any legal action in the **Insured's** name or prosecute in the **Insured's** name for **our** benefit any claim for indemnity or damages and shall have full discretion in the conduct and settlement of any such action
This policy shall be proof that the **Policyholder** has given **us** authority to exercise **our** rights under this condition
- (4) In the event of non-disclosure or misrepresentation at any renewal **we** will waive **our** rights to avoid this insurance provided that
 - (a) the **Insured** is able to establish to **our** satisfaction that such non-disclosure or misrepresentation was innocent and free from any fraudulent conduct or intent to deceive
 - (b) the premium and terms shall be adjusted at **our** discretion to those which would have applied had such circumstances been disclosed
 - (c) where the **Insured** should have notified **us** during a preceding period of insurance either of a claim made against the **Insured** or circumstances which could give rise to a claim and if such notification had occurred the indemnity or cover to which the **Insured** would have been entitled would have been more restricted than that provided at the date of notification **we** shall be liable only to the extent applicable during such preceding period of insurance had the notification occurred
For the purpose of this condition this insurance shall be deemed to be a renewal of any immediately preceding professional indemnity policy issued by **us** under which the **Insured** was entitled to indemnity
- (5) In the event of **us** being entitled to avoid this insurance from inception or from the time of any variation in cover including at renewal **we** may at **our** discretion maintain this insurance in full force but exclude the consequences of any matter which ought to have been disclosed at inception or at the time of any variation in cover including at renewal
- (6) The **Insured** will give written notice to **us** regardless of the uninsured **excess** as soon as possible after becoming aware of circumstances which might reasonably be expected to produce a claim irrespective of the **Insured's** views as to the validity of the claim or on receiving information of a claim for which there may be liability under this policy
Any claim arising from such circumstances shall be deemed to have been made in the period of insurance in which such notice has been given
- (7) The **Insured** will forward to **us** every letter claim writ summons and process immediately upon receipt without acknowledgement
- (8) **We** will not avoid any claim on the grounds of a breach of Conditions 5 or 6 subject to Condition (4) (c) but where in **our** opinion the **Insured** has prejudiced the handling or settlement of any claim the amount payable in respect of such claim including costs and expenses shall be reduced to such sum as in **our** opinion would have been payable in the absence of such prejudice

- (9) The **Insured** will not make or allow to be made on their behalf any admission offer promise payment or indemnity without **our** written consent
- (10) The **Insured** will give all such assistance as **we** may require but the **Insured** shall not be required to contest any legal proceedings unless a Queen's Counsel or by mutual agreement between the **Insured** and **us** a similar authority shall advise that such proceedings could be contested with the probability of success
- (11) In connection with any claims against the **Insured** **we** may at any time pay to the **Insured** the limit of indemnity after deduction of any sums already paid during the period of insurance or any less amount for which such claims can be settled and **we** will then relinquish the control of such claims and be under no further liability except for costs and expenses for which **we** may be responsible under this insurance in respect of matters prior to the date of such payment
- (12) If at the time of any claim arising under this policy the **Insured** is or would but for the existence of this policy be entitled to indemnity under any other policy or policies **we** shall not be liable except in respect of any additional amount beyond the amount which would have been payable under such other policy or policies had this insurance not been effected

General information

Complaints procedure

If you have any reason to complain you can make your complaint in writing or verbally to any member of staff or to the Group Compliance Officer or Claims and Risk Services Director at:

Ecclesiastical Insurance Office plc
Beaufort House,
Brunswick Road,
Gloucester GL1 1JZ.

Tel 01452 528533

Fax 01452 423557

Email complaints@ecclesiastical.com

We will acknowledge all complaints within five working days.

If you are not satisfied with our response, or we have not completed our investigation after eight weeks, we will inform you of your right to take your complaint to:

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

Tel 0845 080 1800

Email complaint.info@financial-ombudsman.org.uk

This complaints procedure does not affect your right to take legal proceedings.

The Financial Services Compensation Scheme (FSCS)

(not forming part of the policy)

This scheme was set up under the terms of the Financial Services and Markets Act 2000.

Its aim is to protect private and small business/charity customers should an insurer go out of business and be unable to meet its liabilities or pay claims. You may be entitled to compensation depending upon your income and the number of people you employ.

If so, FSCS may arrange to transfer your policy to another insurer, provide a new policy or, if these actions are not possible, provide compensation. The maximum level of compensation you can receive from the scheme for a claim against an insurance firm depends on the type of insurance policy.

For further information on the scheme you can visit the website at:

www.fscs.org.uk

or write to:

Financial Services Compensation Scheme,
7th Floor, Lloyds Chambers,
1 Portsoken Street,
London E1 8BN.

Tel 020 7892 7300

Email enquiries@fscs.org.uk

This contract is underwritten by:
Ecclesiastical Insurance Office plc.

Our FSA register number is 113848.

Our permitted business is general insurance.

You can check this on the FSA's register by visiting the FSA's website
www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234

If you would like more information about
Ecclesiastical visit us at:

www.ecclesiastical.com

If you would like more information about
South Essex Insurance Brokers contact us at:

**South Essex House
North Road
South Ockendon
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Tel 01708 850000



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