



Optima Trade Plus

Prospectus

Your questions answered



Optima Trade Plus has been designed specifically to meet the needs of individuals working on a self-employed basis, partnerships and limited companies with a maximum of eight persons working in the business.

- **What are legal liabilities and how can I be sure that the policy limits will provide adequate cover?**

EMPLOYERS LIABILITY

You are required by law to have insurance covering your liability as an employer should an employee suffer death or injury whilst working for you in your trade or business. Labour only sub-contractors are considered to be employees, as are any working directors of limited companies. The employers liability section provides up to £10 million of cover for employers and fully complies with statutory requirements.

PUBLIC LIABILITY

Public liability insurance is not compulsory but, with large sums for damages now routinely awarded in court for personal injury coupled with escalating legal costs, one claim could put you out of business, so cover is essential for trading protection.

Local authorities and other principals usually require contractors to hold such cover without which contracts will not be awarded. The cover will protect you if in the course of the trade or business, the Insured, any partner or director or employee accidentally injures a third party or damages their property and they seek recompense for which you are held legally responsible. This also includes damage or injury caused by defects in goods or materials supplied by you.

The standard cover allows you to select up to £5 million indemnity (on most trades). We would recommend the maximum.

- **I sometimes take on temporary employees, are they covered?**

If there are permanent employees for which we have charged an employers liability

premium the policy is automatically extended to include public and employers liability cover for up to 50 man days in total in any one period of insurance. If there are no permanent employees and you require cover for temporary employees we provide this subject to an additional premium.

■ **Do I need need to purchase employers liability cover if my business is a 'limited company' with me as the only employee and owner of the business?**

Legislation that came into force on 28 February 2005 states that 'any employer which is a company that has only one employee and that employee owns fifty per cent or more of the issued share capital in that company' is exempt from the need to purchase employers liability insurance.

In all other circumstances if there are any employees, whether temporary or permanent, you are legally required to provide employers liability cover for all employees.

■ **My business is a partnership, can I include cover for injury to myself and other partners?**

The policy cover can be extended to include injury to working partners under the employers liability section. We also offer cover under the personal accident section that is available to all proprietors, partners, directors and employees on a specified names basis.

■ **Does the policy provide cover for bona fide subcontractors?**

The public liability section includes indemnity to you for your liability resulting from actions of bona fide subcontractors. However there is a condition in the policy that payments to bona fide subcontractors do not exceed 25% of your annual turnover. You must ensure, prior to their appointment, that the bona fide

subcontractor holds current public liability insurance appropriate to the work to be carried out.

■ **The nature of my business fluctuates according to the type of contract I secure. How can I ensure that the policy will continue to protect me?**

In the majority of cases, referral to this prospectus, the summary of cover and the policy wording should provide sufficient guidance. If in doubt over the scope of cover or if you enter into a new line of business or secure a larger than usual contract, you should discuss this with your insurance advisor.

However, if the contract is of such a size that the actual workforce exceeds eight, it will be necessary for alternative cover to be arranged to a more appropriate policy.

We cannot provide cover for contracts involving work on or in any of the following hazardous locations:

- Docks, harbours or railways
- Offshore or petroleum installations
- Chemical or petrochemical works
- Aircraft, airports or airfields
- Collieries, mines or quarries
- Power stations
- Nuclear installations
- Watercraft

■ **What if I have more than one trade?**

We can accommodate up to three different trades, but your premium will be based on the most hazardous trade.

■ **Why is it necessary to have cover for employment disputes?**

Following changes in the definition of self-employed by the Inland Revenue, most companies in the construction sector are forced to engage many operatives as direct employees.

This increases the risk of having to defend costly and time consuming actions brought by employees. This policy provides cover for legal defence costs up to £25,000 per dispute and limited to £100,000 in total in the period of insurance.

■ **What is prosecution protection?**

An employee may be prosecuted for any act or omission or alleged act or omission in the course of your trade or business. This extension applies to a person under a contract of service or apprenticeship with you and provides cover for legal defence costs up to £25,000 per dispute and limited to £50,000 in any one period of insurance.

■ **Why is it necessary to have cover for tax investigation?**

With the stance taken by the Inland Revenue towards employment and self-employment status, many companies in the construction sector find themselves exposed to tax penalties and retrospective collection of National Insurance contributions.

The policy will provide cover for legal and professional fees incurred should an investigation be carried out by the tax authorities. The policy provides up to £25,000 per tax investigation and limited to £50,000 in any one period of insurance.

■ **Are there any restrictions for Tools and Business Equipment?**

Certain valuables, money, documents and livestock are not insured. Theft of computers, computer equipment and accessories from a motor vehicle is not insured unless the property is stolen from a securely locked boot.

Theft from unattended motor vehicles between the hours of 20.00 and 07.00 is not insured unless the vehicle is kept in a securely locked garage or a Thatcham Category

1 approved alarm and other security precautions are in force.

■ **Is it possible to insure my contents and stock if I don't have my own commercial premises?**

The property all risks section is an optional cover for your contents and/or stock. Cover applies at any specified premises, which could be commercial buildings, private dwelling house or flat including outbuildings and garages.

■ **Are there any security requirements for the property covers?**

Standard minimum requirements are incorporated into the policy wording. For example, if you work from home this will be a 5 lever mortice deadlock on all external doors and key operated window locks on ground floor and other accessible windows.

■ **What about health and safety information?**

Groupama has produced a risk management guide focused on health and safety for tradesmen and professionals which is available on request. For new policyholders, a copy of this guide will be included with the policy documentation. With the increasingly litigious society and increasing frequency and cost of employers and public liability claims it is essential that all businesses are aware of health and safety legislation and follow safe working practices.



Optima Trade Plus - product features

Optima Trade Plus offers the essential cover needed for the tradesman, professionals and homeworkers.

Cover is offered to protect legal liabilities, tools and business equipment, money, goods in transit, business property and stock, business interruption, contract works, own plant and hired in plant and personal accident.

Standard Cover

- For public liability you can choose a limit of indemnity of up to £5,000,000 for most trades
- Tax investigation and property protection
- 24 hour legal helpline
- Risk management guide

Optional Covers

Employers Liability

- Employers liability cover can also be included where needed, with a limit of £10 million
- Employment and prosecution protection insurance

Tools and Transit

- Cost of alternative accommodation in the event of damage to the Insured's main or sole premises by fire, explosion, storm or flood. The cover provides up to £500 per month for up to 12 months
- All risks cover for tools and business equipment and goods in transit for a limit between £1,500 and £5,000

Property All Risks

- All risks cover at specified premises for business contents for sums insured up to £20,000
- Stock up to £10,000
- Business money included with contents for a £1,000 limit

Business Interruption

- Additional cost of working up to £50,000
- Professional trades can choose gross Income up to £150,000

Contract Works and Plant (Contracting Trades Only)

- Contract works up to £250,000, own plant up to £25,000 and hired in plant up to £50,000
- Cover extends to contract sites and continuing hire charges

Personal Accident

- Personal accident up to £100,000 capital benefits and £500 per week for temporary total disablement
- Cover available on a 24 hour basis or occupational only

Please refer to the Summary of Cover guide and policy wording for further details.

What you need to know about Groupama

Products for you

Groupama Insurances is one of the UK's leading general insurers. It offers business, motor, home and health insurance products through professional insurance intermediaries and affinity partners. The company employs over 800 staff in six centres and is an accredited 'Investor in People'.

Strength and security

Groupama Insurances is part of European financial services giant Groupama, an international insurance business that generates annual revenues of more than €14.9 billion. In the UK Groupama enjoys an A+ rating with Standard and Poor's.

Social responsibility

In France the Group is keen to engage with local communities and works to improve patient wellbeing through the Groupama Foundation. Its Film Foundation also seeks to preserve cultural heritage through the support of the French film industry. In the UK we believe in acting ethically to reduce our impact on the environment and to encourage the support of charitable projects through our staff run 'Groupama Giving' charities committee.



Service for you

Groupama Insurances does not operate overseas call centres. We offer all of our intermediaries direct access to our customer service and claims centres here in the UK. Groupama is committed to Treating its Customers Fairly.

More information

Our regional Key Account Managers or Manchester based Broker Trading Team will be pleased to help with any queries you have or to provide you with more information about dealing with Groupama. Contact the Broker Trading Team on **0161 830 1345** or **brokertradingteam@groupama.co.uk**

Where we are

Head Office

Groupama House
24-26 Minories
London EC3N 1DE

Telephone: 0870 850 8510

Underwriting and Operations

Groupama House
60 Spring Gardens
Manchester M60 1HU

Telephone: 0870 850 0123

Commercial Claims

Third Floor Building One
Imperial Place Elstree Way
Borehamwood WD6 1JN

Telephone: 0870 600 2123

Groupama Insurance Company Limited Registered Number 995253 Registered in England
Registered Office: Groupama House 24-26 Minories London EC3N 1DE

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