

# Professional Liability Insurance explained

## About our policy

Towergate Professional Risks specialises in providing Professional Liability Insurance to people-based professionals ranging from complementary therapists, counsellors, psychologists and psychotherapists right through to business consultants, life coaches and many others.

If a client or third party felt that they had suffered a financial loss, an injury or even damage to their property as a result of your professional activities, they may try to take civil legal action against you. Our policy is designed to cover the cost of damages and the legal costs you incur along the way.

Even if someone tried unsuccessfully to sue you, the legal costs could run to thousands of pounds, which could be difficult for a sole trader or small firm to cope with on their own.

## Why you should consider cover

In today's society, your business is increasingly vulnerable to such claims for compensation. Professional Liability insurance is not a legal requirement, but many practitioners now arrange it, and many professional associations strongly recommend it to their members.

We recognise that no two businesses are the same and have designed our policies to cover as broad a range of civil liabilities as we can. They cover a number of different liabilities all under one policy - these are as follows:

- Professional Indemnity
- Public Liability
- Products Liability
- Libel & Slander

Here's what is covered under each section of the policy:

## What is Professional Indemnity?

Professional indemnity insurance is often referred to as "errors and omissions" or "malpractice" insurance. It relates to the advisory or therapeutic aspects of your work. For example you could find a claim being made against you alleging that, arising from your professional activities, you gave a client an incorrect piece of advice or carried out an inappropriate course of action.

## What is Public Liability?

If any third party is killed, injured or has their property damaged through your negligence and in connection with your professional activities, this section of the policy would cover your legal liability to pay damages. For example, a client might claim that they have suffered an injury as a result of their dealings with you. If it was found that they did, and it was due to your negligence, such an incident could result in a claim.

## What is Products Liability?

You might provide products to clients (eg. an aromatherapist might provide aromatherapy oils or a hypnotherapist might provide a hypnotherapy CD) for them to use outside of your appointments. If you do this, you are legally responsible for any liability arising out of the use of those products, even if you did not manufacture them.

## What is Libel & Slander?

Many of our policyholders are experts in their field and are asked to contribute articles for trade journals, websites and magazines and to speak at conferences and seminars. For any of these, there is a risk of being sued for comments which another party might consider to be defamatory against them.

## How claims can arise

Our policy provides cover on what is known as a 'claims made' basis. This means that once you take out cover with us you will be covered for any valid claim that occurs (even if it relates to work that you carried out some time ago) whilst you remain insured with us.

For example, a client you had dealings with some years ago might only decide now or in the future, to try to sue you. If they did, you would be entitled to claim under the policy, (provided that you were not previously aware of a likely claim, and that your occupation is the same now as it was at the time of the incident).

If you retire, or take a career break our policy also includes 'run off' cover, which covers you for up to three more years at no additional cost, for any late occurring claims which arise after you cease trading.

## How we deal with claims

The test of any insurance policy comes in the event of a claim. If you are unfortunate enough to need to make a claim we will guide you through the process, advising you step-by-step what to do, and what not to do, along the way.

With our in-depth knowledge of the policy cover and our strong relationships with the insurers we are well placed to assist in an effective and efficient settlement to help you and your business get back to normal quickly.

## How to find out more

If you'd like to find out more, we can offer you a quotation for your business and if there's anything more you'd like to know about the policy cover we'd be happy to help you.

## About Towergate Professional Risks

Towergate Professional Risks is part of the Towergate Underwriting Group Limited – the UK's largest independent general insurance intermediary. As part of such a large group, we have strong relationships with major insurers and can negotiate wide cover at competitive premiums for our clients.

We arrange cover for individuals and firms from a wide range of different occupations and have affinity schemes in place with a number of major professional associations, offering discounted rates to their members.

To discuss Professional Liability insurance for you or your business, why not contact us today?

For more information visit: [www.towergateprofessionalrisks.co.uk](http://www.towergateprofessionalrisks.co.uk)

to get a quote or take out cover online or call: **0113 294 4000** (lines open Mon – Fri, 9am – 5pm)

or e-mail: [professionalrisks@towergate.co.uk](mailto:professionalrisks@towergate.co.uk)



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