Professional Indemnity Insurance and Client Money Protection (PI + CMP)_FAQ'S

Q1: Who are James Hallam?

A: James Hallam Ltd. specialises in servicing the insurance needs of property professionals and work closely with affinity groups / associations to structure schemes and facilities for members.

Q2: Who are WRB Underwriting?

A: WRB Underwriting brings together two leading insurance businesses – W.R Berkley Syndicate Management Limited 1967 and W.R Berkley Insurance (Europe) Limited. The business was established in July 2003 as a London based, FSA (now superseded by the PRA and FCA) authorised insurer, and is a member of their holing company, W R Berkley Corporation, one of the largest commercial lines writers in the U.S. WRB Underwriting is rated A (Excellent) by A. M. Best and A+ (Strong) by Standard and Poor's reflecting its excellent capitalisation, highly experienced management team, strong prospective financial performance, and long-standing relationships with its brokers. WRB Underwriting underwriters are experts in their specialist areas and are empowered to provide solutions outside the traditional boundaries of insurance. W.R Berkley Syndicate Management Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (FRN: 568355).

Q3: What does Professional Indemnity Insurance (PI) cover?

A: PI protects ones business in the event a client (third party) brings a claim for financial loss as a result of professional negligence, errors and omissions. The policy shall cover defence costs in addition to the limit of indemnity.

Q4: What is the limit of indemnity?

A: The PI limit of indemnity is for any one claim with defence costs in addition. The CMP limit is separate and provides cover up to a total of £500,000 in the aggregate per agent and £25,000 each and every claim but limited to a maximum of three months' rent in respect of landlord's claims. The total aggregate scheme limit is £3,000,000.

Q5: What is an excess?

A: An excess does not apply for CMP; however, you may have an excess apply under a PI policy. The excess is a payment contribution made by the insured towards the claim.

Q6: What is Client Money Protection (CMP) cover?

A: The policy we have designed is PI led with CMP available as an optional extra. The CMP indemnifies the landlord or tenant, whose funds have been misappropriated up to an indemnity limit of £25,000 for each and every claim, but limited up to three month's rent in respect of landlord's claims and an aggregate limit of £500,000 per agent. The annual aggregate scheme limit totals £3,000,000.

Q7: How is my policy structured?

A: The policy comprises of an any one claim Professional Indemnity Insurance limit of indemnity with an optional standalone limit in respect of CMP. The standalone CMP limit is available to agents in Wales, Scotland, and Northern Ireland. CMP is for the consumers benefit in the event a principal of the business misappropriates client money.

Q8: My existing PI is an annual policy and not a rolling monthly contract, can I still buy CMP?

A: Yes, you can. CMP would be covered on inception of the policy with the PI delayed until expiry of the PI policy already in force. You would be charged a PI pro rata premium for the remainder of the policy period on expiry of your existing PI policy.

Q9: Can I purchase more cover?

A: More PI cover can only be purchased upon referral to James Hallam.

Q10: Can I cancel my membership?

A: Subject to no claims, the PI section is cancellable, however CMP is non-cancellable.

Q11: Am I covered for my historical liability?

A: Historical activities are covered, however, only in respect of business activities stated on the statement of fact unless otherwise agreed with James Hallam. If you have never bought PI, cover for forward acts only would apply.

Q12: What if I merge with another firm?

A: Depending on the terms of the merger, the policy shall either need to be endorsed to reflect run off cover only or extended to include the merged entity. You shall need to advise James Hallam so that they can adjust the policy accordingly.

Q13: Is cover only available to members Rent Smart Wales and the Scottish Register of Letting Agents?

A: PI + CMP combined is available to agents in Northern Ireland and those agents registered with Rent Smart Wales and the Scottish Register of Letting Agents, however PI in isolation is available to all agents operating in the UK.

Q14: What happens if we cease trading or withdraw our membership of Rent Smart Wales and the Scottish Register of Letting Agents?

A: It is a condition of the CMP terms that you adhere to your regulatory body's code of conduct. Should you withdraw your membership from the professional body, cover ceases in respect of CMP. The PI can either continue or be adjusted to provide run off cover.

Q15: What is Run Off Cover?

A: Run off cover means the policy no longer covers forward acts and shall only apply to historical liability from the point the business ceases to trade.

Q16: Are overseas activities covered?

A: Unless otherwise agreed, cover shall only apply to business activities within the United Kingdom.



Q17: How will I receive confirmation of cover and my policy documentation?

A: James Hallam shall confirm cover upon receipt of the statement of fact and issue policy documentation shortly afterwards via email.

Q18: How can I report claims and circumstances?

A: CMP claims can be notified direct to James Hallam by email to pi.cmp@mint-insurance.co.uk or telphone +44 (0)203 747 0826. A claim form shall need to be completed and sent direct to insurers, WRB Underwriting, as per the claim notification instructions. CMP claim notification instructions are shown on The Property Ombudsman Website. PI claims should be notified direct to WRB Underwriting.

To request a claim form, please contact James Hallam.

Coverholder at LLOYD'S

British Insurance Brokers' Association Member

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