

Keyfacts

Financial & Legal

POLICY SUMMARY KEYTRADE

This document contains a summary of the provisions of the KeyTrade Legal Expenses Policy

1. What is this document about?

This Policy Summary is only a summary and does not contain the full terms and conditions of the insurance contract into which you will be entering. The full terms and conditions can be found in the Policy Booklet (and the accompanying Certificate of Insurance) both of which will be issued to you if you decide to take up a KeyTrade Policy. **You should read that document carefully immediately upon receipt of it** and, if you have any queries you should raise them at once with your insurance adviser or MSL Legal Expenses Limited.

2. Who is the Insurer under the Policy?

Your Insurance Policy contract will be made with Financial & Legal Insurance Company Limited (Registered in England under Company No: 03034220) ("F&L") and by the Financial Services Authority under number 202915 and whose registered office and business address is set out in paragraph 9 of this Policy Summary whose associated company, MSL Legal Expenses Limited ("MSL"), will act as F&L's administrative agent and manager in connection with your Policy of Insurance.

3. What kind of policy is KeyTrade?

Your KeyTrade Policy is a legal expenses policy designed to provide small businesses, in any sector, which have no more than 30 employees and a turnover of less than £2,000,000 pa with insurance cover against the costs and expenses of legal action (and, in certain cases, accountants' fees) to defend or pursue your rights in certain situations. The cover provided (subject to the points made in paragraphs 4, 5 and 6 below) relates to costs incurred in the legal proceedings as described in paragraph 4 below.

4. What are the main features and benefits of the cover provided?

Your policy (subject to paragraphs 5 and 6 below) offers cover against legal expenses incurred up to £50,000 on any one claim for not more than two claims arising in any one "Period of Insurance" (as defined in paragraph 6 below,) in connection with:

- (a) your defence in a dispute with a former employee whom you have dismissed, or one arising out of a contract of employment with you or a claim by an employee, former employee or prospective employee under the Race Relations Act 1976, the Sex Discrimination Acts 1975 and 1986 and the Disability Discrimination Act, 1995 ("Employment Disputes Cover");
- (b) (i) the defence of you or any of your employees to a criminal prosecution in respect of any act or omission or alleged act or omission relating to your trade or business (provided counsel's opinion to the effect that there are reasonable grounds for defence is obtained);
- (ii) defence of a civil action against you for wrongful arrest in connection with an accusation of theft alleged to have been carried out in the course of the conduct of your business during the Period of Insurance;
- (iii) defence of a civil action taken against one of your employees (but not you, who could be covered for this and under the Employment Disputes Cover) under the Race Relations Act, 1976, the Sex Discrimination acts 1975 and 1986 or the Disability Discrimination Act, 1995 arising from the defendant's work as an employee or his or her position as a trustee of a pension fund set up for the benefit of your employees;
- (iv) defending or contesting by you or any of your employees an improvement or prohibition notice, a suspension notice or an order of enforcement served under the Health & Safety at Work Act, 1974, the Food Safety Act 1990 and the consumer Protection Act, 1987 ("Legal Defence Cover");
- (c) (i) provided you have registered with the Data Protection Registrar or Data Protection Commissioner (as appropriate) legal expenses of defending of a civil action for compensation under Sections 22 or 23 of the Data Protection Act, 1984 or Section 13 of the Data Protection Act, 1998. Subject to the limit, in respect of one claim compensation awarded against you or an employee would be met under the KeyTrade Policy;
- (ii) challenging an enforcement, deregistration or transfer prohibition notice or an information notice or special

(iii) an appeal against a refusal to register your application for registration ("Data Protection Claims");

(d) a dispute with a customer or supplier in respect of a contract for the sale, hire, supply or purchase of goods or services provided that you entered into the contract during the Period of Insurance and the amount in dispute is more than the maximum limit (currently £5,000) which could be handled by the Small Claims procedure in the County Court (England and Wales) or the Sheriff's Court (Scotland) ("Contract Disputes Cover");

(e) dealing with certain investigations by the Inland Revenue into your business accounts and records (including PAYE matters) and VAT disputes provided that you have taken reasonable care to ensure that your accounts and records have been properly maintained and that all tax and VAT returns have been complete and correct and duly returned within the required time limits ("Tax Disputes Cover");

(f) taking action relating to your material property (or property for which you are responsible) arising out of an alleged or actual negligent act or omission or any nuisance or criminal damage caused by a third party which causes financial loss to you ("Property Protection Cover");

(g) an appeal or representation to any authority following something which has led to the suspension, revocation or alteration in terms of, or a refusal to renew, any licence which you require to run your business provided that you have identified to MSL at the time of taking out the policy the licence in question ("Licence Protection Cover");

(h) a claim by your employee relating to that employee's death or bodily injury other than one which relates to an illness or injury which occurs gradually and has not been caused by a specific or sudden accident ("Accidental Bodily Injury Cover");

(i) the actual loss of the salary or wages of you or any employee for the period when that person is off work in order to attend a Court or Tribunal hearing at the request of the appointed representative or to attend any Court hearing as the defendant of an admitted claim under your KeyTrade Policy if such loss of salary or wages is not recoverable from the relevant Court or Tribunal ("Attendance Claim Cover");

5. Are there any limitations on, and/or exclusions of, the cover provided?

(Note: This paragraph merely highlights some of the terms of your KeyTrade Policy Certificate which limit the cover conferred by it; you should read your Policy Booklet and the Certificate of Insurance which will accompany it for full details. References to the relevant sections and clauses of the Policy Booklet (and/or the Certificate) are given as appropriate in this paragraph 5.)

(a) in order to obtain the benefits of your KeyTrade Policy:

- you must have kept MSL informed of any change in the information which you have given to MSL (see Condition No. 1 in the Policy Booklet.) Failure to do this may invalidate your KeyTrade Policy. If your circumstances alter F&L or MSL may refuse cover under the policy or may require an additional premium to continue cover;
 - you must notify MSL as soon as possible and in any event, within 180 days of the happening of the event which could give rise to a claim (see Condition No. 3 in the Policy Booklet);
- MSL will only accept a claim (and/or continue cover) under your KeyTrade Policy if it (and F&L) is satisfied that there are reasonable grounds in law (with reasonable prospects of success) for bringing the claim. If you do not agree with our decision on this you have the right to obtain at your cost an opinion from counsel as to the merits of the proposed claim. If that opinion clearly states that there are reasonable grounds for pursuing the claim and MSL accepts it, the fees paid by you for that opinion will be met under your KeyTrade Policy. (See Condition No. 4 in the Policy Booklet.)**

- you and MSL must agree upon the lawyer or accountant (“the appointed representative”) who will represent you (see Condition No. 5 in the Policy Booklet;)
 - you must co-operate with MSL and the appointed representative in the handling of your claim (see Condition No. 6 to 8 (inclusive) in the Policy Booklet;)
- (b) your KeyTrade Policy will **NOT** give you any cover for any claim in respect of:
- legal expenses arising from a traffic accident (see Exclusion 3 in your Policy Booklet;)
 - disputes concerned with libel or slander or any deliberate act or omission of you or one of your employees (see Exclusion 5 in your Policy Booklet;)
 - any claim for legal expenses relating to you or your employee’s actual or alleged violent behaviour (see Exclusion 7 in your Policy Booklet;)
 - legal expenses incurred before MSL has agreed to pay them on your behalf (see Exclusion 8 in your Policy Booklet;)
 - if you have other insurance cover which entitles you to recover legal expenses (except for the amount of any excess which you are required to pay under such other insurance) (see Exclusion 10 in your Policy Booklet;)
 - fines, damages, liabilities or other penalties which you are ordered to pay by a court or other authority (see Exclusion 11 in your Policy Booklet;)
 - any claim relating to patents, copyright, trade or merchandising rights, design rights (whether registered or not) or to any other intellectual property matters or claims relating to confidentiality or secrecy arrangements (see Exclusion 15 in your Policy Booklet;)
- (c) your Certificate of Insurance will show an amount of “**excess**” for each relevant element of cover which **you will be responsible** for meeting in respect of each claim made by you under your KeyTrade Policy;
- (d) your KeyTrade Policy will also **NOT** provide cover:
- in the case of **Employment Disputes**:
 - where the cause of action arises within the first 180 days of the commencement of the Period of Insurance [unless the policy is an immediate continuation by way of renewal of a previous KeyTrade Policy];
 - where, at the Date Cover Commenced (shown on your Certificate of Insurance,) an employee (who is a party to the claim) was subject to an on-going formal or informal verbal or written warning; or
 - if the claim relates to redundancy, alleged redundancy or unfair selection for redundancy the reason for which had arisen in the period of 180 days before the Date Cover Commenced;
 - in respect of the defence of an action for damages by reason of personal injury or loss or damage to property (see Part One of the section headed “the Cover” in the policy Booklet;)
 - in the case of “**Legal Defence Cover**” any legal proceedings which lead to you or any employee being prosecuted for any road traffic offence (see Part Two of “The Cover” section in the Policy Booklet;)
 - in the case of **Contract Disputes** any claim which relates to:
 - a lease, licence or tenancy of buildings;
 - a dispute as to compensation or a sum payable under an insurance contract;
 - a contract of employment;
 - arbitration proceedings;
 - computer goods or services;

- in the case of **Tax Disputes** any claim which relates to:
- your failure to register for VAT;
- any investigation or enquiry by the Inland Revenue Special Investigation Section or its Special Compliance Office or any such investigation or enquiry by H M Customs and Excise into alleged dishonesty or criminal offences;
- any investigation deliberately or intentionally triggered by you;
- any fees of an Accountant where the investigation concludes that you or your accountant has sent inaccurate or misleading returns to the Inland Revenue or to H M Customs & Excise (see Part Five of The Cover of the Policy Booklet;)
- in the case of **Licence Protection** any claim relating to:
 - an original or initial application for a Licence;
 - any licence the existence of which has not been declared to MSL or in respect of which an appeal or representation has been made in the twelve months preceding the Date Cover Commenced (see Part Seven of The Cover section of your Policy Booklet.)

6. What is the “Period of Insurance”?

Your cover under your KeyTrade Policy will commence upon the date shown on the front of the Certificate of Insurance given to you and will expire on the date also shown in your Certificate of Insurance.

7. Can I cancel the Policy?

You have a right to cancel your KeyTrade Policy **within 14 days of the date**

upon which you receive your Certificate of Insurance. You should notify your broker in writing and enclose the Certificate of Insurance if you wish to cancel your KeyTrade Policy. Your cover will cease from the day you deliver or post your notice of cancellation. If you do not give notice of cancellation within the 14 day period you will be responsible for payment of the agreed premium. Any notice of cancellation should be sent to your broker at the address at which it conducts its business with you.

8. How do I make a claim?

If you have a claim, you must make it as soon as possible (and, in any event, within the time limits mentioned in paragraph 5 above) either by telephone (confirmed in writing) to MSL on 0845 758 5704 and your written communication should be addressed to MSL Legal Expenses Limited, No.1 Lakeside, Cheadle Royal Business Park, Cheadle, Cheshire, SK83GW.

9. How do I raise a complaint?

If you wish to register a complaint in connection with the policy, please Contact MSL in writing:
c/o The Claims Manager, MSL Legal Expenses Limited, No.1 Lakeside, Cheadle Royal Business Park, Cheadle, Cheshire SK8 3GW; or by telephone: 0870 7554488; or by fax: 0870 7554485.

If you are not satisfied with the outcome of MSL’s response, you may refer the complaint in writing to the Managing Director, Financial & Legal insurance Company Ltd, No.1 Lakeside, Cheadle Royal Business Park, Cheadle, Cheshire SK8 3GW.

If the complaint can still not be settled, you may be entitled to refer it to the Financial Ombudsman Service.

10. Will I be protected by the Financial Services Compensation Scheme?

MSL (and F&L) are covered by the Financial Services Compensation Scheme established under the Financial Services and Markets Act