



Recruitment Insurance

**PREMIER COVER
SELECT COVER**

Coverholder at **LLOYDS**

Broker at **LLOYDS**

BROKER POLICY GUIDE

This guide is intended to assist our Insurance Broker partners in the smooth operation of the Premier Cover and Select Cover policies.

This document, the brochure and the proposal form are available to download at www.jmmltd.com.

A copy of the the full policy wording is available on request.

- Employers Liability
- Public & Products Liability
- Professional Indemnity
- Medical Malpractice Liability
- Drivers Negligence

JMM HAVE TWO PRODUCTS TO OFFER

Premier Cover

(Minimum Policy Premium £15,000)

For those recruitment businesses that regularly operate outside of the protection of their own standard terms of business and would therefore save time and money by having automatic contractual protection, thus removing the need to refer each client contract for approval. Of course, a prudent business still needs to be aware of the contractual obligations it is committing to when signing their client's terms of business.

Select Cover

(Minimum Policy Premium £10,000)

For those recruitment businesses that trade predominantly under the protection of their own standard term of business and therefore appreciate the savings available by accepting a lower level of contractual protection than that in Premier Cover.

Contractual covers can be included on a specified contract basis, if the total of Non-Standard contract work is normally less than 10% of turnover.

Premier Cover and **Select Cover** can be enhanced by a Multinational extension to Employers Liability, protecting against overseas claims from personnel who are not UK residents and from State or Social Security Scheme subrogation attempts.

The worldwide territorial limits can also be extended to include USA & Canada.

Subsidiary or Associated companies of the Assured registered outside of the UK can be considered

PREMIER COVER MAIN FEATURES

Employers Liability

- **Includes claims arising from placed personnel** regardless of their employment status
- **Contractual Liability**
- **Additional Assured and Subrogation Waiver** – automatic inclusion where the Policyholder agrees by contract to add a client as an Assured to the policy. This also includes a subrogation waiver where contractually required. *We do not believe any other recruitment policy gives these automatic covers*
- **Indemnity to Principal**
- **Offshore**
- **Multinational cover for:**
 - i. claims by any State or Social Security or similar scheme for subrogation against the Assured
 - ii. claims from employees or placed personnel who are not ordinarily resident in the UK and which are settled under the relevant countries' workers compensation law
 - iii. difference in conditions & difference in limits protection from policies issued to the Assured overseas.

Public and Products Liability

- **Contractual Liability** (except for Products)
- **Additional Assured and Subrogation Waiver** – automatic inclusion where the Policyholder agrees by contract to add a client as an Assured to the policy. This also includes a subrogation waiver where contractually required.
- **Indemnity to Principal**
- **Residual Employers Liability**

Professional Indemnity

- **Professional Negligence of the Assured** (wrongful supply)
- **Vicarious Liability** from the professional negligence of placed personnel
- **Contractual Liability** for the professional negligence of placed personnel
- **Dishonesty of Employees** including placed personnel
- **Breach of Confidentiality** including contractual liability for placed personal
- **Intellectual Property Rights** including contractual liability for placed personnel
- **Libel and Slander** including contractual liability for placed personnel
- **Payment of Withheld Fees**
- **Loss of Documents**
- **Mitigation of Loss**
- **Medical Malpractice Liability** claims due to wrongful supply

Medical Malpractice Liability

This section of the policy can provide those Assureds working in the healthcare arena with additional cover as follows:

- **Negligence of Placed Personnel.** The Assured's vicarious liability beyond the wrongful supply cover provided under Professional Indemnity (excludes contractual liability).
- **Direct Work.** The Assureds liability from direct risks such as domiciliary care and independent living support

Where indemnity or assistance is provided by any Medical Defence Organisation or their insurers, that cover is deemed to be the more specific and will pay in the first instance with this policy stepping in on difference in conditions and/or limits.

Optional extensions:

- **Contractual Liability** beyond the normal duty of skill and care where accepted in a contract. This extension requires the Assured to ensure that placed personnel are registered and subscribe to their relative medical defence organisations e.g. MDU, RCN etc.
- **GAP Indemnity for Nurses** who work outside of the NHS (where an indemnity is provided) but where their RCN indemnity does not operate for the nurse. For example, if the nurse is employed but doesn't receive an indemnity from the healthcare provider, umbrella company or recruitment business. This cover works on the basis that the Assured provides an indemnity to the nurse and uses the cover purchased to meet their obligation.

Please note that we do not cover birthing or midwifery

Drivers Negligence Liability

Legal liability under contract consequent upon accidental loss of or damage to any motor vehicle owned, leased, hired or operated by an end client caused by the negligent act of placed personnel supplied to an end client.

- Drivers aged 21 and above
- Full license is required but any country of issue is acceptable

Policy Extensions (also apply to Select Cover)

- Reputational Injury
- Cyber Liability Exclusion and Write Back
- Environmental Statutory Liability
- Innocent Non-Disclosure
- Housing Grants, Construction and Regeneration Act 1996
- Data Protection Act 2018
- Advertising Liability
- Vendors' Coverage

SELECT COVER

Should **Select Cover** be appropriate for the recruitment business the premium charged will be less than for **Premier Cover**.

This is achieved by removing the covers listed below due to the Assured trading under the protection of its own standard terms of business. However, where a client of the Assured requires the terms of business to be on the basis of that client's contract (termed a non-standard contract) then **Select Cover** can include those deleted covers on request of the Assured, in exchange for additional premium.

We normally only consider a limited amount of such non-standard contracts under **Select Cover** up to 10% of turnover.

Covers Removed from Premier Cover

Employers Liability

- Additional Assured and Subrogation Waiver

Public and Products Liability

- Additional Assured and Subrogation Waiver
- Contractual Liability. *Unless it would have attached in the absence of an agreement*

Professional Indemnity

- Vicarious liability from the professional negligence of placed personnel
- Contractual Liability* for the professional negligence of placed personnel
- Dishonesty of placed personnel
- Breach of confidentiality contractual liability for placed personnel
- Intellectual property rights contractual liability for placed personnel
- Libel and slander contractual liability for placed personnel

**Note that Professional Indemnity Contractual Liability will be rated separately if the Assured wishes cover to be included for specified clients*

Standard Terms of Business Condition

This will apply to Employers Liability, Public/Products Liability and Professional Indemnity sections of the policy, requiring the Assured to ensure that business is conducted on their Standard Terms of Business.

Standard Terms of Business means a contract where the Client indemnifies the Assured for any liability to or arising out of Placed Personnel.

OVERVIEW

This shows contractual cover amendments for specified clients of the Assured which have been agreed with JMM. The Standard Terms of Business Condition is waived and the covers in the **GREEN** shaded areas are included

Standard Terms of Business Condition applies to policy sections marked **RED** shaded area

	Premier Cover	Select Cover	Select Cover (Specified Client Contractual Cover)
Territorial limits: UK only but can be extended to worldwide (excluding USA and Canada) for Assureds working outside of the UK Option to include USA and Canada Entities domiciled outside of the UK can be considered	✓	✓	✓
Placed Personnel: definition includes irrespective of any intermediary through which they undertake work or their employment status	✓	✓	✓
Difference in Conditions / Difference in Limits For Assureds with worldwide cover - for claims involving policies issued to the Assured outside of the UK	✓	✓	✓
Standard Extensions: Reputational Injury - Agency Workers Regulations - Data Protection Act - Innocent Non-Disclosure - Advertising Liability - Environmental Statutory Liability - Vendors Coverage	✓	✓	✓

Employers Liability

Standard Terms of Business Condition	No	Yes	No
Includes claims from placed personnel	✓	✓	✓
Contractual Liability	✓	✓	✓
Additional Assured and Waiver of Subrogation	✓	✗	✓
Indemnity to Principal	✓	✓	✓
Terrorism, Asbestos, Offshore & Covid - £5m limit	✓	✓	✓
Included for those Assureds with worldwide cover:			
a) Claims by any State or Social Security for subrogation	✓	✓	✓
b) Claims from employees or placed personnel who are not ordinarily resident in the UK			

Public Liability			
	Premier Cover	Select Cover	Select Cover (Specified Client Contractual Cover)
Standard Terms of Business Condition	No	Yes	No
Contractual Liability – beyond that which would have attached in the absence of an agreement	✓	✗	✓
Additional Assured and Waiver of Subrogation	✓	✗	✓
Indemnity to Principal	✓	✓	✓
Abuse and Molestation <i>A reduced and aggregate limit applies if there is a perceived exposure</i>	✓	✓	✓
Residual Employers' Liability	✓	✓	✓

Professional Indemnity – Optional			
	No	Yes	No
Standard Terms of Business Condition	No	Yes	No
Liability for Wrongful Supply	✓	✓	✓
Vicarious Liability from the Professional Negligence of placed personnel	✓	✗	✓
Contractual Liability for the Professional Negligence of placed personnel	✓	✗	Optional
Dishonesty of Employees	✓	✓	✓
Dishonesty of Placed Personnel	✓	✓	✓
Breach of Confidentiality	✓	✓	✓
Breach of Confidentiality - contractual liability for placed personnel	✓	✗	✓
Intellectual Property Rights	✓	✓	✓

Professional Indemnity – Optional (cont'd)

	Premier Cover	Select Cover	Select Cover (Specified Client Contractual Cover)
Intellectual Property Rights - contractual liability from placed personnel	✓	✗	✓
Intellectual Property Rights - the Assureds own costs for pursuing an infringement against the Assured	✓	✓	✓
Payment of Withheld Fees	✓	✓	✓
Loss of Third Party Documents	✓	✓	✓
Mitigation of Loss	✓	✓	✓
Libel and Slander	✓	✓	✓

Medical Malpractice Liability – Optional

	Premier Cover	Select Cover	Select Cover (Specified Client Contractual Cover)
Medical Malpractice Liability from placed personnel – excluding contractual liability	✓	✓	✓
Medical Malpractice Liability from direct risks such as domiciliary care and independent living support	✓	✓	✓
Optional - Contractual Liability from placed personnel	✓	✓	✓
Optional - GAP Indemnity in respect of nurses under the RCN indemnity scheme	✓	✓	✓

Drivers Negligence – Optional

	Premier Cover	Select Cover	Select Cover (Specified Client Contractual Cover)
Drivers Age ex. under 21	✓	✓	✓
Driving Licence – any full licence	✓	✓	✓
Client contract required	✓	✓	✓

GENERAL OPERATION OF THE POLICIES

Policyholder

The person or entity stated in the schedule.

Assured

Includes the Policyholder, Persons Employed (excluding Placed Personnel).

Placed Personnel

Any person placed by the Assured with a Client on a temporary or permanent basis in connection with the Business irrespective of any intermediary through which they undertake work or their employment status. For example, be they via umbrella companies and/or whether employed, self-employed, Personal Service Company (PSC) in or outside IR35.

Client

Refers to anyone with whom the Assured has effected a written contract.

Business

In addition to personnel supply as a Recruitment Agency or an Employment Business, other activities can be considered, for example:

- Contracting (e.g. rail, building, site logistics, professional services such as surveying, package works etc)
- Payroll Services
- Training Services
- Managed Service Provision
- Recruitment Process Outsourcing
- Direct Medical risks such as domiciliary care, independent living support, Covid testing and indemnity to nurses that are working outside of NHS and where their RCN indemnity is not provided.

Available Indemnity Limits	
Employers Liability	£10,000,000 any one occurrence but £5,000,000 for Asbestos / Terrorism / Offshore / Covid-19
Public & Products Liability	£10,000,000 any one occurrence for Public Liability £10,000,000 in the aggregate for Products, Pollution and Environmental Statutory Liability
Professional Indemnity	£10,000,000 in the annual aggregate (<i>any one claim may be considered</i>)
Medical Malpractice	£10,000,000 in the annual aggregate
Drivers Negligence	£10,000 any one claim but £50,000 in the annual aggregate

Policy Territory

UK only or Worldwide excluding USA & Canada but can be extended.

Standard Deductibles

Employers Liability	Nil
Public Liability	£ 1,000
Professional Indemnity	£ 1,000
Medical Malpractice	£ 1,000
Drivers Negligence	£ 1,000

Premium Calculation

Our proposal form details the information required but essentially:

- **Payroll** (gross payments) to:
 - a. Clerical and managerial (the Assured's own staff)
 - b. Placed Personnel on temporary assignment
 - c. Any persons who are engaged on the direct contracting work.
- **Fees** from Permanent Placements and other Professional Services
- **Turnover**
- **Non-Standard Contracts**
We request an estimate of the temporary assignment payroll where placements are under Non-Standard Contracts*

**Non-Standard Contract means where the Assured conducts business outside of the protection of their Standard Terms of Business.*

Standard Terms of Business means a contract where the Client indemnifies the Assured for any liability to or arising out of Placed Personnel.

JMM do not normally request to review Non-Standard contracts

- **Medical Malpractice**
Please see our proposal form for details
- **Drivers Negligence** is based on the estimated monthly average number of drivers

Adjustment rates

- **Employers and Public Liability** - the premium is based on the estimates and is usually a minimum retained 100% deposit that is adjustable at the rates provided.
- **Professional Indemnity** – can be adjustable depending on the quote
- If adjustable it is on the same basis as for Employers & Public liability
- **Medical Malpractice** – non adjustable
- **Drivers Negligence** – non adjustable or adjustable on driver numbers, depending on the quote basis.

Underwriter

The policies are underwritten by JM Marketing Ltd as coverholder on behalf of either Newline Syndicate at Lloyd's and Newline Insurance Co Ltd both part of the Newline Group which is part of Odyssey Group Holdings, Inc. odysseygroup.com/newline-group

CLAIMS

General Policy Condition 2 applies to all sections of the policy:

Notice Of Claim

The **Assured** shall, as a **Condition Precedent** to their right to be indemnified under this **Policy**, as soon as possible:

- (a) give notice in writing to the **Coverholder** of any circumstances or **Occurrences** which may give rise to a **Claim** and provide all information and documents available to the **Assured**; and
- (a) on receipt by it or its servants or agents, forward to the **Coverholder** any **Claim** or notice of proceedings in respect of which the **Underwriters** may be required to indemnify the **Assured**.

The **Professional Indemnity** and **Medical Malpractice** sections are on a “claims made” basis. These two sections of the policy have additional claim conditions which you should familiarise yourself with.

Notification to Coverholder

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