



PRACTICE COVER

●●● Insurance for individuals and practices

**Keeping your business going
if you cannot work**



Overheads Insurance



What is Overheads Insurance?

A practice or business which relies on a small number of highly trained individuals – or even just one person – to produce revenue is economically vulnerable if one of those people cannot work.

Overheads Insurance ensures that the operating expenses of your business will be covered, so you don't have to use your personal assets to meet business expenses if you fall **ill**, have an **accident**, are asked to do **jury service** or are **suspended** from practicing.

Your staff can continue to be paid and you will have a business to come back to when you are able to return to work.

Overheads Insurance can cover



Staff costs



Rent and service charges



Council tax



Utility bills



Equipment finance



Telephone and internet costs



Professional fees

...and all the other routine overheads which will continue irrespective of your ability to work.

How much can I insure for?

You can insure for anything up to 100% of the business overheads (subject to a maximum, in most cases, of £3,000 a week). If there are several of you generating fees to meet the business overheads then each person can be insured for an amount representing the proportion of the overheads for which he or she is responsible.

If you have to make a claim, the amount we pay will be the lower of the weekly sum insured and 'your' proportion of the actual overheads. For example, if you are insured for £3,000 a week and your contribution to overheads is only £2,500 a week, the maximum which can be paid will be £2,500 a week. The weekly sum insured would generally be paid for a maximum of 52 weeks (after expiry of your chosen deferment period) or until you return to work, if sooner.

You can choose a benefit period of less than 52 weeks if this would suit your business better.

Payment of the weekly sum insured will start after your chosen deferment period has expired and is intended to enable you to keep your business going and to meet its expenses until you are able to return to work. In the case of long term disability, this gives you up to a year to decide on the future of the business.

Who is Overheads Insurance for?

Overheads Insurance is for anyone who owns and runs their own fee-based business, whether alone or in partnership.

This includes people such as dentists, opticians, vets, accountants, architects... anyone whose absence through illness, accident, jury service or suspension could jeopardise the financial stability of their business.

Case study

The client

High Street Surveyors LLP was set up by John Smith and Mary Brown. They now employ 4 staff and operate from an office in the centre of town.

The business overheads are £100,000 a year and John and Mary are responsible on a 50/50 basis.

Their cover

They take out Overheads Insurance in the name of the partnership with each of them being insured for £961 a week. They select a 4 week deferment period.

The cost

The **total annual premium** is £901.92. This works out at £450.96 per person; since the premium rates are age and gender neutral, they are both charged the same.

The cover in action

Later, when John trips downstairs and slips a disc, resulting in 10 weeks off work, a sum of £5,766 is paid to the business (i.e. £961 a week, for 6 weeks).



Outline of Cover

Please note that the following is an outline only. Full terms and conditions are contained in the policy document which is available on request.

Illness and accident

You are insured against accident or illness which results in your being unable to work.

The policy also makes a lump sum payment if you have an accident resulting in your death or injury. The sums range from £10,000 for accidental death, loss of limbs or sight, to £5,000 for loss of hearing.

Jury Service

If you are called for jury service, the weekly benefit is payable for each day you are required to attend, up to a maximum of 52 weeks. There is no deferment period for jury service claims.

Suspension Cover

If you are suspended from practising, the weekly benefit is payable for up to 52 weeks (after expiry of the deferment period).

Delayed Return from Holiday

If you are on holiday with a member of your family who is injured or becomes ill, and you are required, on medical grounds, to stay with

them, resulting in your return home being delayed, the weekly benefit is payable for a maximum of four weeks. There is no deferment period.

About Us

Practice Cover is a specialist provider of Overheads Insurance and Locum Insurance to professionals.

As specialists in these fields we offer competitively priced insurance you can rely on.

We place your cover at Lloyd's (www.lloyds.com) which is the world's largest insurance market.

Contact us today

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or speak to your Independent Financial Adviser

Independent financial adviser's stamp