

Allianz Insurance plc

Professional Services

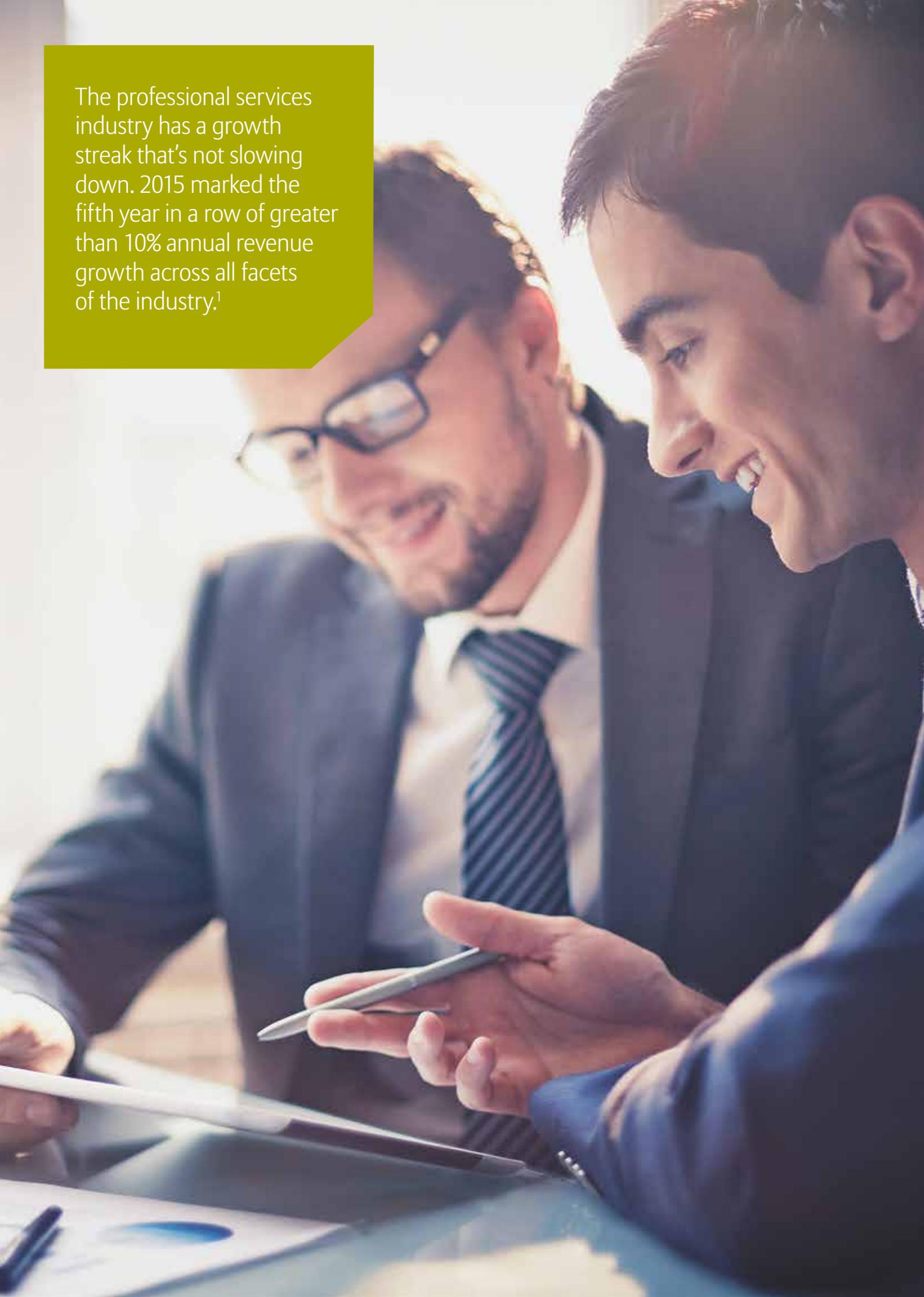
Proposition



Allianz 

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The professional services industry has a growth streak that's not slowing down. 2015 marked the fifth year in a row of greater than 10% annual revenue growth across all facets of the industry.¹



The professional services and financial sector play an important role in supporting the jobs and growth in the UK. Employing over **7% of the UK workforce**, producing nearly **12% of total economic output**, contributing **£66bn in taxes** and generating a **trade surplus of £72bn**.²

Professional Services Our Proposition

The structure of the UK economy has changed significantly in recent decades, with a shift towards knowledge intensive services. Professional, office based organisations specialising in giving advice have shown significant growth over the last five years. As such, Professional Services is a pivotal sector in the UK economy. From Accountants to Recruitment Consultants, businesses providing professional services are susceptible to existing and emerging risks.

As part of the Allianz Group – the world’s largest property and casualty insurer – we have proven technical excellence within underwriting, risk consulting and claims, which means we understand the requirements and pressures of this sector. From this, we have developed a Professional Services insurance proposition tailored to address the unique needs of your clients.

¹ Financial Force, 2016 (<https://blog.financialforce.com/2016-and-beyond-the-top-professional-service-trends-to-watch/>)

² TheCityUK - Key Facts about UK Financial and Related Professional Services 2016, March 2016.

(<https://www.thecityuk.com/research/key-facts-about-uk-financial-and-related-professional-services-2016/>)

Challenges Within The Professional Services Sector

The way in which many professional service providers operate has been transformed by modern communications and new technologies. While this progress has created many opportunities, it has also created some challenges, such as network security and managing fraud.



Negligent Advice

Because giving expert advice is key to professional services, customers in this sector require insurance solutions which protect against claims for negligence in their offering of advice, design, skills or knowledge in a professional capacity. Furthermore, professional services may also need to protect themselves and the personal liability of their directors and officers from claims that may arise from the decisions and actions taken within the scope of their regular duties.

Reliance on Computers

We are becoming increasingly reliant on technology to do our jobs. With customer demands for 'anytime, anywhere' service, organisations must make sure they are able to rapidly respond to this fast moving environment. As such, for office based companies, computers are core to the daily running of the business. Loss or damage to computer equipment as a result of traditional risks, such as water, fire, power failure, or theft, as well as accidental damage and breakdown, can result in a serious business interruption.

Employee Fraud

Theft of electronic data is just as relevant as theft of money, securities or other property. Fraud costs the UK economy around £20 billion a year, with the majority of fraudulent acts being committed by employees. Professional services should ensure that security measures are in place to prevent theft and forgery by dishonest employees.

Damage to Reputation and Brand

Industry reputation is a key asset of any service business which relies on a reputation of technical expertise to secure clients. With the rise of social media, negative press exposure can severely damage a company's reputation, resulting in loss of revenue, loss of customer confidence and shareholder value.

Data Protection

Professional services are prime targets for cyber criminals seeking sensitive, high-value information, such as customer data, trade secrets and intellectual property. Companies in this sector face a duty of care to protect their clients' confidential information in order to avoid liability for any damage or distress caused to individuals and organisations as a result of data loss or theft.

Health and Safety

With the rise of stress related absence, musculoskeletal disorders and growth in repetitive strain injury claims, health and safety at work is just as important for professional services as any manual sector. Consequently, there is a duty of care to protect employees by ensuring desktops are set-up in line with health and safety legislation.



Tailored Cover

For professional services clients with a combined property and casualty premium of £5,000 – £100,000, we have extended our Commercial Select product by automatically including a range of cover extensions designed to meet the needs of this sector – all free of charge.



Stephen Cornforth, Regional Underwriting Manager, Allianz Insurance plc

Stephen Cornforth – Our Professional Services Underwriting Expert

Stephen joined Allianz nine years ago and for the last three has been the regional underwriting manager for our Central and East region. He has been working within the insurance industry for over 30 years and is a fellowship member of the Chartered Institute of Insurance (CII).

“It’s becoming more prevalent for professional businesses to have an increased level of protection. A UK business will see on average 120 pieces of individual legislation, which affect their risk exposure.

As a result, we’ve developed our Professional Services proposition to enable policyholders to package a tailored property and casualty cover with financial lines covers, such as Directors & Officers or Professional Indemnity insurance. This gives your client the peace of mind that they are fully protected with all their insurance needs covered under one policy.”

The cover extensions listed are operative if the relevant section is selected.

Material Damage

We offer a choice of covers for buildings, contents and stock on an All Risks or Events basis.

In addition, the following cover extensions will automatically be added free of charge:

- Exhibitions cover – £50,000 limit within UK, £25,000 limit within EU (FEA).
- Full theft during business hours.
- Plans, models and drawings – £250,000 limit within UK, £100,000 limit within EU.
- Fine art, antiques and collectibles – up to £250,000 limit.
- Partners, directors and employees, personal effects – whilst outside the insured premises up to a limit of £2,500 per person.

Engineering Extension:

- Breakdown and accidental damage cover for machinery (e.g. lifts and escalators) – limit of liability £500,000.
- Business Interruption cover following breakdown or accidental damage to machinery – limit of liability £50,000.

Business Interruption

We offer cover for protection against interruption to your client's business following an insured loss under the Material Damage section, which results in reduced earnings on a gross profits or revenue basis, featuring a 12 month indemnity period with an option to increase.

In addition, the following cover extensions will be automatically included free of charge:

- Research and development costs – £250,000 limit.
- Unnamed customers and suppliers – £250,000 limit in UK, £100,000 in EU.
- Accidental failure of supply – £100,000 limit.
- Additional increase in cost of working – £50,000 limit.

Computer Cover

Our Computer section offers All Risks cover, including theft and breakdown for computers and auxiliary equipment.

- E-Risks – covers recreation of computer media and additional expenditure losses – £25,000 limit for virus and hacking, £5,000 limit for seek and destroy.

Employer's Liability

Cover to meet the compulsory legislative requirements to a standard £10,000,000 limit of indemnity, with the option to increase up to £25,000,000.

In addition, the following extension is automatically included free of charge:

- Personal accident cover – benefits of up to £10,000 paid for an accidental bodily injury occurring at work resulting in death or disablement.

Business Travel

Complimentary business travel cover is available.

- Medical emergency travel expenses for up to 30 trips – £1,000,000 limit within the EU.
- Medical expenses and associated covers for up to 30 trips – £1,000,000 limit.

For wider business travel cover, standard charges will apply.

Other Ways We Can Help

Additional covers are available as optional sections within our Professional Services proposition.

Directors & Officers*

Our Directors & Officers insurance offers personal liability cover for company directors, officers and managers to protect them from claims that may arise from the decisions and actions taken within the scope of their regular duties. It covers the personal liability of company directors and officers as individuals, but also the reimbursement of the insured company in case it has to pay the claims of a third party on behalf of the directors.

Professional Indemnity*

With the reputation of professional service organisations built on the advice and guidance they provide, Professional Indemnity insurance is required to protect your client's legal liability arising from their professional services in the event that a third party claims to have suffered a loss as a result of their professional negligence.

Full Personal Accident*

Personal Accident insurance provides a financial benefit (up to £2,000,000 for any one life) to your client should an employee suffer a bodily injury or die as a result of an accident.

Full Business Travel*

Worldwide medical emergency travel expenses, baggage, money and cancellation cover for a single trip or multiple trips.

***A one-off introductory discount off the Property and Casualty sections is available if your client purchases either of these covers. This discount cannot be more than the total value of the additional cover.**





The following additional covers are available within Allianz Insurance plc or the wider Allianz Group.

Reputation Protect[▲] (Brand Protection)

A crisis management service providing protection and defence of a company's brand and reputation by offering rapid PR consultancy in order to reduce the impact of negative press.

Fleet

Our Motor Fleet solution is designed to give professional service businesses total protection and control over their company car fleet operations.

Cyber Protect[▲]

Cyber Protect provides comprehensive cover to ensure that your client's professional services business is protected in the event of a data loss or cyber security incident.

Trade Credit^{▲▲}

Protects against the failure of your client's customers to pay their trade credit debts as a result of that customer becoming insolvent or failing to pay within agreed terms and conditions (i.e. protracted default).

For a full list of additional cover options, please contact your local Allianz representative.

[▲] These covers are available via Allianz Global Corporate & Specialty, a sister company of Allianz Insurance plc.

^{▲▲} This cover is available via Euler Hermes, a sister company of Allianz Insurance plc. Please contact your local Allianz representative for a quote. Full terms and conditions apply.

Additional Services

Securing business in the mid-corporate premium bracket can be tough, especially when you need something extra to impress your clients and get that new business over the line or hold on to an important case.

When your client has a Professional Services or any other Allianz mid-corporate policy, they will have automatic access to the following additional services:

- **FREE Allianz Cyber Risk Assessment** – simple online questionnaire that assesses your client's network security against the recommended Government standard. Available via www.riskdirector.co.uk
- **FREE ten minute consultancy** – on how to strengthen online/system security provided by data loss prevention experts at IntelliSecure.
- **FREE Disaster Recovery Protection** – which can help your clients get back up and running in the event of an incident leaving their insured premises unfit for on-going occupation. Within 48 hours, we can source alternative office space and set up phones and internet connections to local networks, enabling your clients to concentrate on resuming their business.
- **FREE business helpline** – advice for your clients on health and safety and business continuity matters via Actionline. Tel: 0344 873 0244.

Preferred Suppliers

We work with an extensive network of renowned service providers, who supply **discounted** services to help mitigate against new and traditional risks faced by Professional Services.

- **Allianz Engineering Inspection** – plant and machinery inspection services in line with periodical regulatory requirements.
- **Allianz Specialist Inspection Services**
 - one-off inspections coupled with bespoke consultation in fields such as electrical testing, energy and environmental services.
 - occupational health and safety audits for which we can offer an exclusive 10-15% discount, depending on the inspected item.
- **Allianz Global Assistance Business Emergency Services**
 - immediate response services for a plumbing or electronic emergency.

We also work with:

- **Brooke Edgely Specialist Technical (BEST)** – lightning/surge protection for electronic devices.
- **Glen Abbot** – business continuity consultancy and planning advice.
- **Graydon UK** – commercial credit checking database.
- **IntelliSecure** – cyber risk management.
- **Praxis42** – online display screen self-assessments (in line with office health and safety requirements).
- **Securikey** – secure documentation cabinets.
- **Vero** – pre-employment screening services.

Using a solicitor or other specialist to help prepare legal documents is expensive. Here is what our research found:

- Compromise agreement £621
- Consultancy agreement £425
- Employee handbook £804
- Employment agreement £408
- Employment statement £143
- Non-disclosure agreement £295
- Partnership agreement £751
- Shareholder agreement £869
- Terms and conditions for website £613

Total cost £4,929*

Allianz Legal Services

Designed for customers with Allianz Legal Expenses cover in place, Allianz Legal Services provides free legal and business tax advice, as well as a range of free and discounted legal services.

These additional benefits can help to remove the legal worry of running a business, support your customers in fulfilling their compliancy requirements and help them avoid costly legal fees, such as those associated with employment tribunals and health and safety fines.

CLICK Legal

Allianz Legal Online allows your customers to personally check and update their legal documentation, saving them costly solicitor's fees. Our website includes:

- **a free legal health check** – an online questionnaire which identifies legal risks and gaps within your customer's legal documentation.
- **over 140 legal templates** – your customers can save time and money in preparing complex, legally binding contracts and policies online.
- **safe storage of legal contracts** – legal documents can be safely stored and edited online.
- **an easy to use law guide** – written by lawyers, our guide helps your customers to understand legal processes and requirements.
- **monthly legal bulletin** – your customers can stay up-to-date with employment and health and safety legislation.

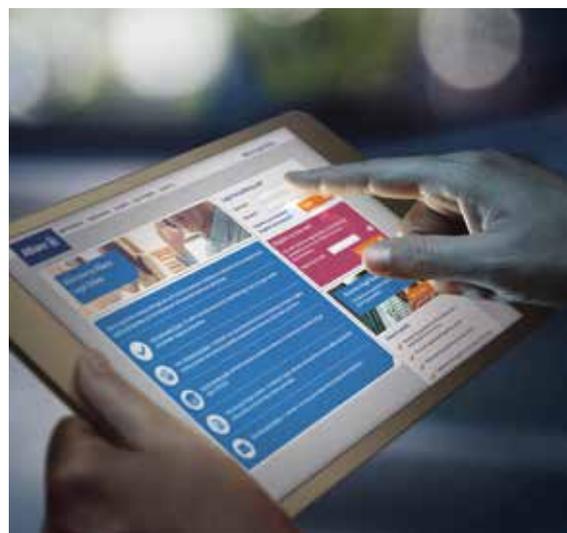
www.allianzlegal.co.uk

* Research conducted between April 2014 and September 2015 by MyLawyer Solicitors LLP. Cost savings calculated by mystery shopping law firms in seven major UK regions, for comparable documents to those offered on this website. Costs shown exclude VAT.

TALK Legal

We have a range of telephone advice lines to help your customers with their legal and tax issues:

- **Allianz Lawphone** – a free 24/7/365 legal advice helpline. Our solicitors can provide advice on ANY legal matter.
- **free business tax advice** – provided by Abbey Tax.
- **discounted undisputed debt recovery service** – legal action for undisputed debts over £250, provided by our specialist commercial solicitors, DWF LLP (15% discount).
- **discounted solicitor employment support** – DWF LLP can assist with a redundancy programme or provide guidance on pursuing an internal disciplinary (15% discount).
- **discounted uninsured legal action** – DWF LLP can take action on behalf of your customers for any commercial matter not covered by their Allianz Legal Expenses policy (15% discount).
- **discounted crisis communication service** – DWF LLP can provide your customers with best practice advice on crisis communications.



For more information on how to access Allianz Legal Services, visit www.allianzbroker.co.uk

Andy Miller – Our Professional Services Risk Management Expert

Andy has over 25 years' experience in risk management, across a wide range of industries and business sectors. Starting out in 1989 as a trainee risk control surveyor, he has subsequently taken on a variety of senior risk management roles within the insurance industry. Currently, Andy is the Technical Risk Control Manager for Allianz Insurance plc and Chair of the Association of Insurance Surveyors.



Andy Miller, Technical Risk Control Manager, Allianz Insurance plc



Risk Management Expertise

Our risk control team spans the entire country, so no matter where your client is based, our surveyors are on hand. Our expertise within the professional services sector means we can tailor our services to meet your client's unique needs.

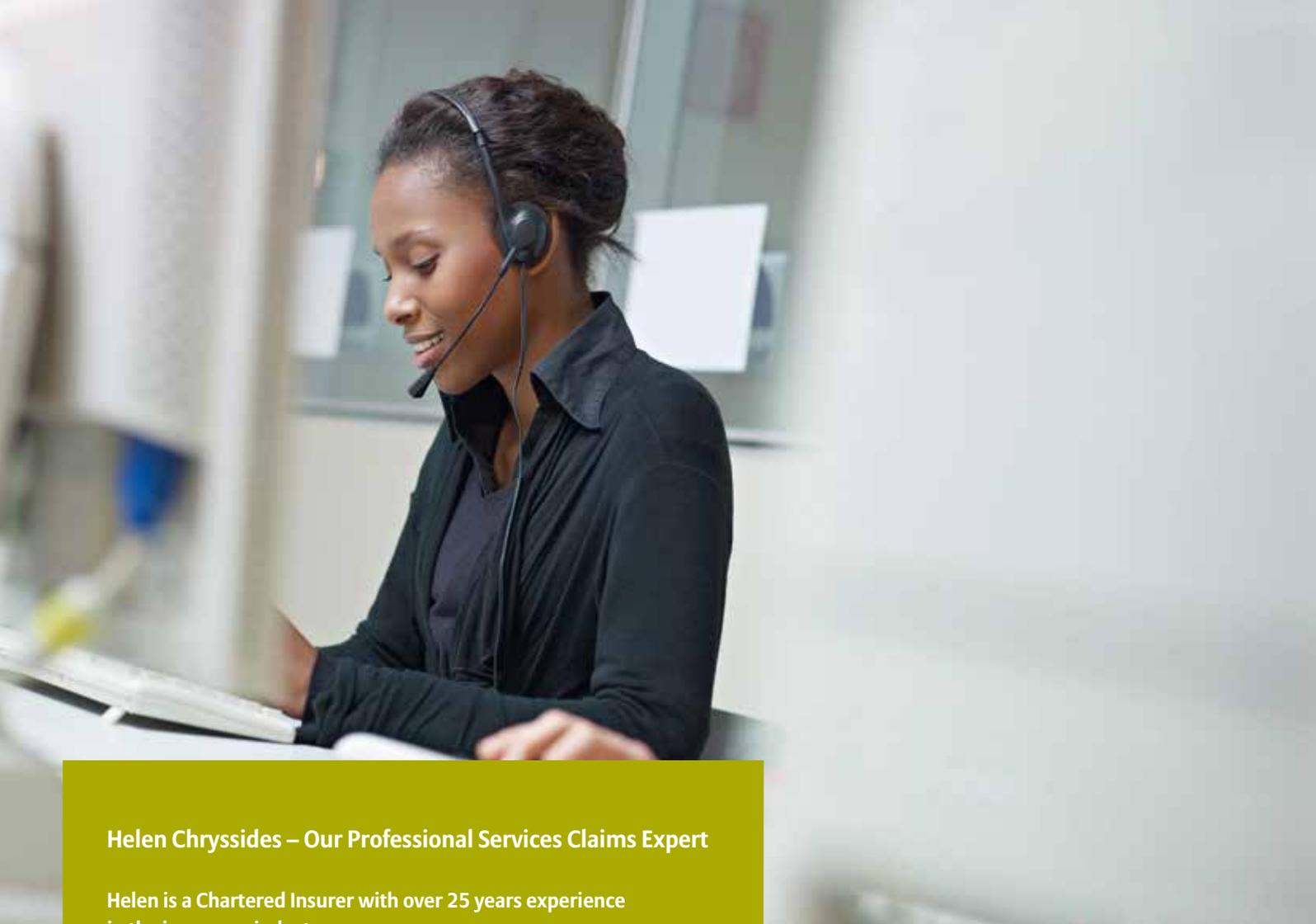
www.riskdirector.co.uk

Risk Director, our free online risk management service, has a dedicated Professional Services portal featuring:

- Risk management advice – hints and tips on how to minimise exposure to key risks impacting this sector, such as employee fraud and cyber-attacks.
- Sector specific news and regulation updates aimed at you and your clients.
- A full list of our specialist preferred suppliers offering risk management solutions relevant to this sector.
- Access to our sector specific health and safety toolkit, allowing your clients to assemble their own health and safety programme.
- Our sector specific business continuity planning guide which allows clients to prepare their own business continuity plan in-house, saving them costly fees.
- 'Ask the Expert' functionality – access to our in-house Professional Services experts.



We also issue a sector specific risk management guide with the policy documentation. This provides detailed advice on how to mitigate exposure to typical risks in the professional services sector.



Helen Chryssides – Our Professional Services Claims Expert

Helen is a Chartered Insurer with over 25 years experience in the insurance industry.

During this time, Helen has become one of our leading claims experts in Commercial Property and Business Interruption, with over 20 years experience in this area.

“Here is an example of how we can help your Professional Services clients. An Accountants’ premises suffered a major fire which led to extensive damage to the buildings and contents with the potential for a large business interruption loss.

The building was severely damaged at first floor level with damage to the ground floor caused by extinguishment water. The roof had been 50% destroyed and it was clear that unless the building was protected from the elements, secondary water damage would result in significantly increasing repair costs.

We gave early approval for weatherproofing works to prevent further damage and to reduce the potential business interruption loss we focused on an early agreement of the building reinstatement works. We also appointed loss adjusters, whose surveyor worked with a local building contractor to agree their rates to avoid a traditional tender process and ensuring an early start date, which saved six to eight weeks, enabling the Insured to recommence trading within the shortest time possible.”



Helen Chryssides, Technical Claims Manager,
Allianz Insurance plc

Claims

When your professional services client makes a claim, they need an insurance provider that understands their loss and will be there at the crucial moments, providing them with the necessary help to get them trading again as quickly as possible.

We're confident that our in-house claims team will give your clients the reassurance and help that they require at the times when they need it the most.

We will provide your client with:

- **A dedicated claims handler** – a dedicated, UK based, expert claims handler will be appointed to manage your client's claim.
- **Out of hours helpline** – we know that accidents don't always happen during the working day, which is why our experts are available 24/7.
- **Claims analysis** – we can provide your clients with data to show trends in their claims and help identify the appropriate risk management solutions.
- **Fraud prevention** – our award-winning anti-fraud team can help to keep claims costs down, a benefit which we can then pass on to your clients.
- **Expert legal advice** – we work with a panel of sector specific solicitors to help defend claims.

In addition, we have specialist claims teams to manage certain losses:

Dedicated Risk Teams – expert teams specialising in Property, Liability, Professional Indemnity and Directors & Officers claims.

Major Loss Team – Property and Casualty specialists who have expertise in dealing with claims worth over £100,000.

Each member of our Major Loss Team manages a small portfolio of claims, allowing them to gain a deep understanding of each case and forge solid relationships with the parties involved. Expertise and empathy is central to our approach.

Regular communication, as well as face-to-face meetings, help us gain a better understanding of the customer's and litigant's needs and where appropriate claims assessments are enhanced by conducting accident reconstructions.

Rehabilitation Team – a team of clinically qualified professionals, including registered nurses, physiotherapists and occupational therapists, who will assess injury claims and if needed will activate a tailored rehabilitation and counselling programme.

Employable – is a rehabilitation service that can be purchased at point-of-sale and activated when your client needs it. It aims to get your client's injured employees back to full health and able to return to work, irrespective of establishing liability.

Allianz Claims Inspectors – our claims field force's priority is to understand your client's business. The success of the team is down to its ability to build strong, long-term relationships with your client's Health and Safety Manager. By doing so, our inspectors can help to identify trends in the claims reported, make recommendations for ways to mitigate the effect of the claims, as well as liaising with our Risk Management Team, so your client can take the appropriate risk management action.

Disease Claims Team – we have an in-house team of specialists which deal with all types of occupational disease and conditions, such as stress, harassment and upper limb disorders.

Our Risk Appetite For Professional Services

We recognise that every client is unique. However, in general our risk appetite is for businesses that are established and have a sound approach to risk management.

Your clients can demonstrate this by:

- Placing a high importance on keeping abreast of current legislation and trade issues.
- Having a proactive approach to the reporting of risk issues.
- Being well established and financially stable.
- seeking long-term relationships with their broker and insurer.

Property Risks

Our preference is for businesses that operate from fixed premises which are:

- Purpose built or suitably converted, and in a good state of repair.
- Located in a low crime area.
- Located in an area free from obvious flood hazards.
- Appropriately protected against fire and unlawful access.

Casualty Risks

We prefer businesses which:

- Recognise, assess and take action to control health and safety risks.
- Document HR procedures.
- Have a well-established and experienced management team.
- Have a sound financial record with good cash flow.
- Have a robust and tested governance policy in place.
- Have no previous or planned sizable redundancy plans.
- Have clear accountancy responsibilities, authorities and audit trails.



Key Professional Services Trades We're Focusing On

Our Professional Services proposition extends over a wide range of services and covers a variety of businesses, including advisory, support and financial services. The common thread linking them is that they are office based and their activities are predominantly non-manual work.

- Architect and engineering services.
- Accountants.
- Management consultants.
- Estate agents.
- Solicitors.
- Property related services.
- Software consultants.
- Advertising, marketing and PR consultants.
- Technology and communication consultants.
- Market research.

Wherever possible, we would encourage you to detail in your presentation the nature of services undertaken, especially if they may differ from the norm.



Why Allianz?

Allianz Insurance plc is one of the largest general insurers in the UK and part of the Allianz Group, the largest property and casualty insurer in the world. We are financially strong, with an AA- Standard & Poor's rating. With over 100 years of experience, we're confident we know our business and have the technical expertise to ensure your clients get the cover they need, tailored risk management advice and a claims service that's committed to getting them back in business as quickly as possible.

If you would like to know more about our Professional Services proposition, contact your local Allianz representative.

Notes

Notes

www.allianz.co.uk

Allianz Insurance plc. Registered in England number 84638.
Registered office: 57 Ladymead, Guildford, Surrey GU1 1DB, United Kingdom.
Allianz Insurance plc is authorised by the Prudential Regulation Authority and regulated
by the Financial Conduct Authority and the Prudential Regulation Authority.
Financial Services Register number 121849.



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