

First Academy

Insuring the needs of
**Hairdressers and Beauty Salons, Nail
Salons and Barbers**



Insurance Prospectus

(Including Policy Summary)

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FIRST ACADEMY - HAIRDRESSER AND/OR BEAUTY SALON TAILORED INSURANCE PACKAGE

"First Academy" is a tailored insurance package devised by Morgan Richardson Ltd., who have been established since 1994. The insurance is arranged through a strong organisation in the industry providing financial security and stability to match.

"First Academy" is designed for the needs of Hairdressers (whether or not involved in Beauty Treatment); Beauty Salons; Nail Salons; Barbers.

Special Features - Automatically Included

- All Risks - "New for Old" claims settlement.
- Unforced Theft.
- Subsidence, Landslip and Heave.
- Automatic 100% Seasonal Increases for Stock and Money.
- Business Interruption/Alternative Domestic Accommodation.
- Failure of Public Utilities Supply to the Premises.
- Denial of Access.
- Public/Products Liability Limit of Indemnity insured up to £5,000,000 (£5m).
- **(Hair & Beauty Treatment Risk Liability Limit of Indemnity of £2,000,000 (£2m)).**
- Personal Accident Hand Disablement (optional).
- 24 hour Legal Advice Helpline.
- 24 hour direct access to Fast Track Claims Helpline every day of the year.
- Monthly Premiums; No forms to complete.
- No Claims Discount (subject to previous satisfactory claims record).

Insurance Values and Protection Against Inflation

It is very important that you insure your business at its correct value. You should review and update your cover periodically to ensure it remains adequate. If you underinsure you may receive a reduced payment in the event of a claim.

All Contents (other than Stock and Goods in Trust) should be insured for their replacement value as new (excluding betterment). When assessing your overall sum insured, you should take into account a sum for all Contents, including, but not limited to Stock, Furniture, Fixtures and Fittings, Shop Fronts, Improvements, Decorations, Personal Effects, Plant and Equipment.

Buildings (including Landlords Fixtures and Fittings) should be insured for the full rebuilding cost, not just for the market value. You may need expert advice to calculate the rebuilding cost, which often differs significantly from market value. A sum should also be added for Architects' Fees, Debris Removal, the cost of meeting any Local Authority requirements and Loss of Rent, where applicable. It is important that the Sums insured for all contents and the rebuilding cost of the building is adequate, if you are unsure you should seek the guidance of a professional quantity/buildings surveyor.

The Policy is automatically index-linked where applicable, to protect the value of your insured property against the effects of inflation. This means the amounts insured are adjusted annually to reflect changes in the index tables.

POLICY SUMMARY

Important Notice

This is a summary of the cover provided by the Policy. It does not contain the full Terms & Conditions of the Insurance Contract. Full details of the cover and the relevant Terms, Conditions & Exclusions are contained in the Policy document, a copy of which will be sent to you on completion of your contract or which you may obtain at any time on request from Morgan Richardson Ltd.

The “First Academy” Policy is a Morgan Richardson Ltd product arranged with American International Group UK Limited. The Policy is an annual contract of insurance, which may be renewed each year subject to your needs and the Insurer’s Terms & Conditions.

Important Information

The Customer Service Section of this Policy Summary gives you important information on the following:

- Your Cancellation Rights
- How to make a Claim
- What to do if you have a Complaint
- The Financial Services Compensation (FSCS)

Section A - Standard Covers

<p>Section A1 – Trade Contents</p>	<p>- Trade Contents including stock, fixtures and fittings, tenants improvements, decorations or alterations, business records up to £10,000, computers, and personal effects of directors and employees up to £1,000 per person are covered against:</p> <p>Accidental damage and loss or damage caused by fire, lightning, explosion, aircraft or earthquake, theft or attempted theft (including unforced theft), malicious persons, riot, civil commotion, storm or flood, falling objects, escape of water, impact by vehicles, and subsidence, landslip or heave.</p>	<p>Replacement as new.</p> <p>Sum Insured as shown in the Schedule.</p>
<p>Additional Covers:</p> <ul style="list-style-type: none"> • Mobile Hairdressers or Beauty Therapists • Exhibitions and Displays • Temporary Removal • Collection and Delivery • Seasonal Increase 	<p>- damage to Trade Contents whilst away from the premises.</p> <p>- damage to Trade Contents whilst at or en route to or from any exhibition, trade fair or fete situated within the territories.</p> <p>- damage to Trade Contents whilst temporarily removed for cleaning, renovation, repair or other similar purpose.</p> <p>- damage to Trade Contents whilst in the course of collection or delivery.</p> <p>- increase in the sums insured for stock during the months of December, January, February and for 30 days prior to Easter and for Public holidays.</p>	<p>£2,500 any one event.</p> <p>£10,000 for any one event.</p> <p>Limited to 15% of the sum insured for Trade Contents.</p> <p>£5,000 any one event.</p> <p>100%</p>

<ul style="list-style-type: none"> • Replacement of Locks • Loss of Metered Water • Theft Damage to Buildings • Damage by Emergency Services • Debris Removal • Rent • Excess 	<p>- replacement of locks, safe or alarm control keys following theft of keys from the premises or from the home of any director, partner or employee authorised to hold such keys.</p> <p>- for the increase in water charges charged by the water authority following damage to the Trade Contents and/or Buildings.</p> <p>- damage to Buildings for which you are responsible as tenant but not as owner following theft or attempted theft.</p> <p>- damage to the premises caused by the emergency services.</p> <p>- expenses necessarily incurred in removing Trade Contents debris following damage occurring at the premises.</p> <p>- legal liability as tenant to pay rent up to 2 years if the Buildings become unusable as a result of damage.</p> <p>- the first part of every claim for which you are responsible.</p>	<p>£2,500 for any one event.</p> <p>£2,500 any one period of insurance.</p> <p>Limited to £2,500 or 15% of the sum insured for Trade Contents, whichever is the greater for any one event.</p> <p>£1,000 for any one event.</p> <p>Limited to 25% of the sum insured for Trade Contents, for any one event.</p> <p>£250</p>
<p>SECTION A2 – BUSINESS INTERRUPTION</p> <p>Book Debts</p> <p>Additional Expenditure</p> <p>Additional Covers</p>	<p>- if damage occurs to or within your premises preventing you from being able to trade as normal, the policy will compensate you for any loss of income.</p> <p>Indemnity Period</p> <p>- loss of income as a result of damage to records of amounts owed by customers.</p> <p>- any reasonable additional expenditure for the provision of alternative domestic accommodation.</p> <p>- includes;</p> <ul style="list-style-type: none"> • Failure of Public Utilities (£50,000) • Denial of Access • Murder and Suicide (£50,000) • Defective Sanitation (£50,000) • Damage to Third Party Suppliers Premises (£50,000) • Loss of Attraction (£25,000) • Exhibition Expenses (£5,000). 	<p>£500,000</p> <p>24 months.</p> <p>£25,000</p> <p>£5,000</p>

<p>SECTION A3 - GLASS</p> <p>Excess</p>	<p>- damage to fixed glass, windows and door frames, and the cost of boarding up prior to repair.</p> <p>- damage to ceramic basins, sinks, lavatory bowls, lettering and canopies.</p> <p>- the first part of every claim for which you are responsible.</p>	<p>Replacement Value</p> <p>£2,000</p> <p>£250</p>
<p>SECTION A4 - EMPLOYERS LIABILITY</p> <p>Excess</p>	<p>- to protect your legal liability in the event an employee suffers bodily injury arising out of and in the course of their employment. Work experience schemes are included.</p> <p>- the first part of every claim for which you are responsible.</p>	<p>£10,000,000</p> <p>Nil</p>
<p>SECTION A5 – PUBLIC & PRODUCTS LIABILITY</p> <p>Hair & Beauty Treatment Risk Liability</p> <p>TREATMENTS</p> <p>Level 1</p> <p>Level 2</p> <p>Level 3</p>	<p>- to protect your legal liability towards members of the public following bodily injury or damage as a direct result of your business activities, arising from a product sold or supplied by your business, or your ownership of the building.</p> <p>- to protect your legal liability caused by or following a treatment. Treatment must be carried out by a responsible trained employee or under the direct supervision of a responsible trained employee.</p> <p>The level of cover and treatments provided will be dependent on the level of cover selected. Should the treatment level found on your Summary of Cover not provide you with the level of cover required please advise a member of our team.</p> <p>- cover includes nails, manicures, pedicures, nail art, false nails and ear or nose piercing.</p> <p>- cover includes the treatments above as well as hair cutting, colouring, tinting, dyeing, bleaching, perming, straightening and hair extensions.</p> <p>- cover includes the treatments above as well as eye lash/brow tinting, shaping, perming or extensions, make up, facials (excluding acid peels), waxing, threading and sugaring, massages (excluding sports and baby massage), aromatherapy and spray tanning (excluding sunbeds or solaria).</p>	<p>£5,000,000</p> <p>£2,000,000</p>

Level 4	- cover includes a more comprehensive range of treatments including, but not limited to the above. Certain treatments are excluded, for full details please refer to the Treatment Risk Liability Additional Cover Endorsement.	
Excess	- the first part of every claim for which you are responsible.	£250, except bodily injury where there is a nil excess.
SECTION A6 – HEALTH & SAFETY AT WORK ACT 1974	- the policy will pay for legal costs and expenses awarded or incurred in defence of alleged breaches of the Health and Safety at Work Act 1974. Including Corporate Manslaughter and Corporate Homicide Act 2007	£500,000 any one cause. £2,000,000 any one claim or series of claims.
Excess	- the first part of every claim for which you are responsible.	Nil
SECTION A7 - MONEY	- loss of business money <ul style="list-style-type: none"> • on the premises during business hours • in transit or bank night safe • outside business hours contained in a locked safe • outside business hours not contained in a locked safe • in private residence • any other money 	£5,000 £5,000 £5,000 £500 £500 £1,000
Seasonal Increase	- increase in the sums insured for stock during the months of December, January, February and for 30 days prior to any Public holidays and 7 days succeeding.	100%
Excess	- the first part of every claim for which you are responsible.	£250
SECTION A8 - ASSAULT	- you are covered if you or an employee suffers bodily injury as a direct result of violent or criminal assault in the course of the business.	£15,000 for a permanent disablement or death, or £150 per week for a temporary disablement.
SECTION A9 – COMPUTER BREAKDOWN	- breakdown or failure of any part of the computer equipment arising from either mechanical or electrical defect.	£10,000

<p>Excess</p>	<ul style="list-style-type: none"> • Additional Expenditure • Incompatibility of Electronic Data • Additional Rental <p>- the first part of every claim for which you are responsible.</p>	<p>£10,000 £5,000 £1,000</p> <p>£250</p>
<p>SECTION A10 – EMPLOYEE DISHONESTY</p>		
<p>Excess</p>	<p>- loss of Money or Trade Contents resulting directly from an act of fraud or dishonesty committed by an employee.</p> <p>- the first part of every claim for which you are responsible.</p>	<p>£5,000</p> <p>£250</p>
<p>Section B (Optional with Section A)</p>		
<p>SECTION B - BUILDINGS</p> <p>Additional Covers:</p> <ul style="list-style-type: none"> • Architects’ Fees • Local Authority Requirements • Debris Removal 	<p>- the structure at the premises including landlords fixtures and fittings, shop fronts, awnings, external signs and flood lights, outbuildings, boundary and garden walls, fences, gates and posts, and underground cables and pipes from the premises to the public mains are covered against:</p> <p>Accidental damage and loss or damage caused by fire, lightning, explosion, aircraft or earthquake, theft or attempted theft (including unforced entry), malicious persons, riot, civil commotion, storm or flood, falling objects, escape of water, impact by vehicles, and subsidence, landslip or heave.</p> <p>- architects’, consulting engineers’ and surveyors’ fees necessarily incurred in the reinstatement following damage to Buildings.</p> <p>- the additional cost of reinstatement following damage to Buildings necessarily to comply with statutory building regulations or municipal or local authority bye-laws or European Community Legislation.</p> <p>- expenses necessarily incurred in removing debris, dismantling, or demolishing, and shoring or propping up of Buildings to make safe following damage.</p>	<p>The cost to rebuild.</p> <p>Sum Insured as shown in the Schedule.</p>

<ul style="list-style-type: none"> • Rent • Contracting Purchaser • Emergency Services • Replacement of Locks • Loss of Metered Water • Excess 	<p>- loss of rent receivable, including up to 3 years ground rent, if the Buildings become unusable as a result of damage.</p> <p>- if selling the Buildings this insurance will be operative in favour of the buyer.</p> <p>- damage to paths, gardens, driveways and car park surfaces caused by the attendance of the emergency services.</p> <p>- replacement of locks at the premises following theft of keys from the premises or from the home of any director, partner or employee authorised to hold such keys.</p> <p>- increase in metered water charges charged by the water authority following damage to the Buildings and/or Trade Contents.</p> <p>- the first part of every claim for which you are responsible.</p>	<p>Limited to 20% of the sum insured for Buildings.</p> <p>£1,000 any one event.</p> <p>£2,500 any one event.</p> <p>£2,500 any one period of insurance.</p> <p>£250, other than subsidence where the excess is £1,000.</p>
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Section C (Optional with Section A)

SECTION C – PERSONAL ACCIDENT

- if you, your partners or employees suffer accidental death or bodily injury, benefits will be paid at a level dependant on the nature of the injury.

Each unit will pay £5,000 for death or permanent disablement, or £50 per week for a temporary disablement.

Excess

– excluding the first 7 days for temporary disablement.

Max 10 units per person.

Section D (Standard Cover)

SECTION D – LEGAL EXPENSES

- the policy will assist you in meeting legal expenses incurred in connection with employment disputes and compensation awards, employment restrictive covenants, legal defence against statutory licence appeals, contract and debt recovery, crisis communication, Tax investigations and VAT disputes.

£250,000

Extra benefits include:
24 hour legal advice helpline, 365 days of the year - for confidential advice on legal matters in connection with the business.

	Araglegal.co.uk – access to a Business legal services website with a wide range of documents from employment contracts and settlement agreements, Health & Safety statements, and much more.	
Section E (Optional with Section A)		
SECTION E – DOMESTIC CONTENTS AND PERSONAL POSSESSIONS	- If you live on your business premises, you will be able to include your Domestic Contents and Personal Possessions as part of your business policy. The sum insured should represent the full cost of replacing all household goods. Valuables, Personal Effects and Money can also be insured whilst anywhere in the world.	Replacement as new. Sum Insured as shown in the Schedule.
Excess	- the first part of every claim for which you are responsible.	£50

CONDITIONS AND EXCLUSIONS

Please refer to the Conditions and Exclusions in the Policy Wording/Schedule for further details.

General Conditions

1. The Policy and Schedule shall be read together as if they are one document.
2. Reasonable Precautions.
3. Notification of Changes in Circumstances.
4. Cancellation by the Us.
5. Cancellation by the You.
6. Monthly Instalments.
7. Arbitration.
8. Your Death.
9. Contract Rights.
10. Subrogation.
11. Alterations.
12. Sanctions.

Claims Conditions

1. 1.1 Immediate written notice to Insurer.
- 1.2 Immediate notice to Police.
- 1.3 Writ and Summons.
- 1.4 Supply full details of claim, including supporting documentation.
- 1.5 Minimise the Damage.
2. Written Consent and Conduct of Claim.
3. The Insurer’s right to settle a claim.
4. The Insurer’s Liability.
5. Salvage Rights.
6. Dual Insurance Rights.

General Exclusions

1. Radioactive Contamination.
2. War and Similar Risks.
3. Sonic Bangs.
4. Confiscation.
5. Terrorism.
6. Pollution.
7. Mould.
8. Asbestos.
9. Communicable Disease.
10. Cyber.
11. Cyber - Employers’ Liability.
12. Cyber - Public and/or Products Liability.

Special Conditions

1. Flammable Oils.
2. Inspection of Plant and Equipment.
3. Security.
4. Minimum Standards of Security.
5. Unoccupied Premises.
6. Frying Equipment.
7. Source of Damage.
8. Flat Roof Maintenance.
9. Electrical Inspection.

Flat Roof Maintenance

(operative in respect of Policy Section A – Trade Contents and Policy Section B – Buildings)

It is a condition precedent to Insurer's liability that

- (1) any flat roof area of the Buildings shall be inspected by a professional roofing contractor not less than once every two years and any recommendations from such inspection are implemented within 14 calendar days from the date such recommendations are received; and
- (2) You make and retain a record of all inspections and any recommendations from such inspections.

Electrical Inspection

(operative in respect of Policy Section A – Trade Contents and Policy Section B – Buildings)

It is a condition precedent to Insurer's liability that

- (1) the electrical system of the Premises is inspected every 5 years by an IET18th Edition, or later, qualified electrician or a NICEIC or SELECT accredited electrical contractor;
- (2) any defects identified by the inspection must be rectified within 14 calendar days from the date such recommendations are received; and
- (3) a copy of the report and repair invoices must be retained.

PROTECT YOUR BUSINESS

Minimum Standards of Security

It is a condition precedent to Insurer's liability in respect of Loss, Destruction or Damage occurring more than 30 days after the inception of the policy that

- (1) final exit doors must be secured as follows;
 - (a) timber doors - by mortice deadlocks having five or more levers or conforming to BS3621 with matching boxed striking plate
 - (b) aluminium doors - by cylinder mortice lock operating a swinging lock bolt
 - (c) uPVC doors - by key operated multi-point locking devices having three or more locking points
 - (d) the first closing leaf of double leaf doors must be fitted internally with bolts top and bottom.
- (2) all other external doors and internal doors leading to common areas or other premises must be secured;
 - (a) by the means set out in (1), or
 - (b) by key operated security bolts fitted top and bottom.
- (3) all opening windows or rooflights accessible from the ground or via roofs, pipework or other structures must be secured by key operated locking devices or screwed permanently shut.
- (4) any security measures stipulated or agreed by Insurers in writing.

Any door or window officially designated a fire exit by the Fire Authority is excluded from these requirements.

CUSTOMER SERVICE SECTION

Your “Right to Cancel”

If, once you have checked your policy, you decide not to proceed with the insurance you may cancel your policy during a period of 14 days either from the day of purchase of the contract or on the day on which you received your policy documentation, whichever is the later. If the insurance cover has not yet commenced, you will be entitled to a full refund of the premium paid.

If the cover has commenced and should you wish to cancel the policy during the 14 day period, you will be entitled to a full refund of the premium paid, except where you have already made a claim under your policy, in which case there will be a deduction for the time you have been covered. After the 14 day period the ‘Cancellation Rights’ are as set out in the policy. If you do not exercise your right to cancel your policy, it will continue in force for the term of the policy and you will be required to pay the full premium. To cancel your policy, please contact Morgan Richardson Ltd.

How To Notify a Claim

To make a claim please telephone the dedicated Claims Helpline which is available 24 hours a day, please have your Policy Number ready when calling; Telephone: **01179 388362**.

Complaints Procedure - What To Do If You Have A Complaint

We aim to ensure that you are totally satisfied with our service. However, there may be occasions when you feel this objective has not been achieved. If you are unhappy because we have not delivered the service you expect, we would like to put things right. We would encourage you, in the first instance, to contact our Customer Services Manager at Morgan Richardson Ltd, Westgate Court, Western Road, Billericay, Essex CM12 9DY or telephone 01277 630666. You will be sent a copy of our Complaint Handling Procedure which contains information on how to take your complaint further, if we cannot resolve your complaint to your satisfaction you may subsequently be able to refer your Complaint to the Financial Ombudsman Service.

The Financial Services Compensation Scheme

We are covered by the Financial Services Compensation Scheme (“FSCS”). You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim.

Further information about compensation scheme arrangements is available from the FSCS.

“HAIRDRESSERS ECONOMY (INCLUDING NAIL SALONS)” ALTERNATIVE

An Economy Version of this Policy is also available, certain sections of which are part of the Standard Cover in our First Academy Policy, and there are reduced limits in some Sections. Whether this Policy (Hairdressers Economy) is right for your Business will only be ascertained after we have discussed your demands and needs.

COMPARISON SUMMARY OF THE MAIN DIFFERENCES IN COVER BETWEEN “FIRST ACADEMY” AND “HAIRDRESSERS ECONOMY (INCLUDING NAIL SALONS)”

For full details of these and Exclusions & Limits, please read the Policy Wording/Schedule

“FIRST ACADEMY” COVER

Trade Contents (including all stock)

Insured for:

All Risks

Theft including Unforced Entry

Accidental Damage

Subsidence

Business Records - £10,000

Collection and Deliveries - £5,000

Business Interruption (Insured for: All Risks -

Accidental Damage and Theft including Unforced Entry)

- ◆ Loss of income - £500,000
- ◆ Book Debts - £25,000
- ◆ Alternative Domestic Accommodation - £10,000
- ◆ Murder and Suicide
- ◆ Defective Sanitation
- ◆ Denial of Access
- ◆ Subsidence
- ◆ Accidental Damage
- ◆ Loss of Attraction, Damage to Suppliers' Premises, Failure of Public Utilities, Property in Transit

Glass Replacement value

Employers Liability £10,000,000

Public & Products Liability £5,000,000

Treatment Risk Liability £2,000,000

Health & Safety at Work £500,000

Money } See Limits Under

Assault } Policy Sections

Computer Breakdown £10,000

Employee Dishonesty £5,000

Buildings Optional Cover - All Risks including Accidental Damage and Subsidence.

Personal Accident Optional £5,000 per unit

Hand Disablement Optional (as part of Personal Accident)

Legal Expenses £250,000

Domestic Contents & Personal Possessions Optional based on sum insured

Trace and Access Locating source of Damage

“HAIRDRESSERS ECONOMY COVER (INCLUDING NAIL SALONS)”

Trade Contents (including all stock)

Covered against:

Fire, Lightning, Explosion, Aircraft or Earthquake; Malicious Persons; Riots; Storm or Flood; Escape of Water and Impact:

Theft following entry or exit to or from the Premises by forcible and violent means or following actual or threatened violence or assault to the Insured.

NOT COVERED

NOT COVERED

Business Records - £5,000

Collection and Deliveries - £2,500

Business Interruption (Covered against:

Fire, Specified Perils and Theft, all as defined above).

- ◆ Loss of income - £500,000
- ◆ Book Debts - £25,000
- ◆ Alternative Domestic Accommodation - £10,000
- ◆ Murder and Suicide
- ◆ Defective Sanitation
- ◆ Denial of Access
- ◆ NOT COVERED
- ◆ NOT COVERED
- ◆ NOT COVERED

Glass Replacement value

Employers Liability £10,000,000

Public & Products Liability £2,000,000

Treatment Risk Liability £1,000,000

Health & Safety at Work £100,000

Money } See Limits Under

Assault } Policy Sections

Computer Breakdown Not available

Employee Dishonesty Not available

Buildings Optional Cover - Fire, Specified Perils (as above). Subsidence is excluded from this Policy.

Personal Accident Not available

Hand Disablement Not available

Legal Expenses Not available

Domestic Contents & Personal Possessions Not available

Trace and Access NOT COVERED

INSURANCE PROSPECTUS



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Authorised and Regulated by the
Financial Conduct Authority