

Good afternoon,

Within the Renewal Paperwork that has been sent to you this year was a Statement of Fact which forms the basis of your cover with insurers. Various parties have highlighted that the “Statements about You” section on the second page of the document is a little misleading because it appears to indicate that the questions relate to every member. Following discussions within the PAGB a revised wording was suggested which has now been agreed by your Insurers – Royal and Sun Alliance plc.

I have detailed below the original wording, and replacement, and would appreciate it if you would keep this email with your current documents for future reference.

Original Issued Version

Statements about You

You have informed RSA that:

- none of the committee members have been declared bankrupt or insolvent or been the subject of bankruptcy proceedings or insolvency proceedings either as private individuals or in connection with any business
- none of the committee members have been the owner or director of, or Partner in, any business, company or partnership that has had a county court judgement awarded against them
- none of the committee members have been disqualified from holding a company directorship
- none of the committee members has any convictions or criminal offences which are not spent under the Rehabilitation of Offenders Act or has any prosecutions pending
- none of the committee members have had a proposal refused or declined, renewal refused, insurance cancelled or special terms imposed
- none of the committee members have been served with a prohibition or improvement order under health and safety legislation
- none of the committee members have been convicted of, charged (but not yet tried) with or officially cautioned for a breach of any Health and Safety or Welfare or Environmental Protection legislation
- none of the committee members of have been the subject of a recovery action by Customs and Excise or the Inland Revenue

Replacement Version

Statements about Your Club

In respect of the President, Chairman, Vice President, Vice Chairman, Secretary, Treasurer and/or any authorised cheque signatory of Your Club, You have agreed that:

- none of the above have been declared bankrupt or insolvent or been the subject of bankruptcy proceedings or insolvency proceedings either as private individuals or in connection with any business within the last 5 years
- none of the above have been the owner or director of, or Partner in, any business, company or partnership that has had a county court judgement awarded against them in the last 5 years
- none of the above have been disqualified from holding a company directorship in the last 5 years
- none of the above has any convictions or criminal offences which are not spent under the Rehabilitation of Offenders Act or has any prosecutions pending
- none of the above have had a proposal refused or declined, renewal refused, insurance cancelled or special terms imposed in the last 5 years
- none of the above have been served with a prohibition or improvement order under health and safety legislation in the last 5 years
- none of the above have been convicted of, charged (but not yet tried) with or officially cautioned for a breach of any Health and Safety or Welfare or Environmental Protection legislation in the last 5 years
- none of the above have been the subject of a recovery action by Customs and Excise or the Inland Revenue in the last 5 years

In addition to the above there were also some other queries raised. I have noted the most common below with an explanation as to the reasoning behind them:

What is the Relevance of Someone's Past to an Insurance Policy Being Bought Today?

The information around the people connected with the purchase of insurance is important because the fact remains that if a committee member had a conviction for fraud, that absolutely creates a moral hazard and could lead to potential increased risk to Insurers – more chance of a fraudulent claims perhaps? Similarly, someone with a history of theft who knows the intimate detail of where these trophies and projectors are stored for their club could be more inclined to steal them perhaps (after all they've been convicted for theft in the past so that is a good indicator of future behaviour) – hence they have these points on the SOF to give them an element of protection from those risks.

In the past we are all likely to have had insurances for houses/cars declined because the sum insured is too big for a particular contract, the car is not one that a particular insurer wants to cover and this is not the sort of things that Insurers are asking about because anyone in the same position would have the same problem. What they are querying is whether you have had insurance declined/terms imposed because of something you have/have not done. For example, your property may have flooded in the past but when requesting insurance you didn't mention it or Insurers asked you to fit an alarm/locks to the property and you didn't do it. In these circumstances if there was a flood or theft claim and insurers could see you knew about the history or hadn't fitted the locks then they could look to decline future cover or impose terms. It is very unlikely that anything like this would happen but again, it's something that has to be addressed.

On the SOF there is no time limit to the assumptions however, Insurers have agreed to restrict matters to the past 5 years. This applies to all of the assumptions other than the one regarding criminal convictions. On that point they are driven by the Rehabilitation of Offenders Act so need to be told about any unspent convictions. Depending on the conviction there will be different time limits before one is spent and then no longer needs to be mentioned.

The Information is Very Personal/Intrusive and Difficult to Ask

Insurers understand that it is very difficult asking you to check the assumptions with fellow committee members who are more than likely friends. They do not expect you to “interrogate” each committee member because this would put you and them in a difficult situation. What they have requested is that you advise committee members of the assumptions on the SOF during one of your meetings and ask them to let you know if they are unable to answer all of the statements in the affirmative. The fact that you have asked should be recorded and that is as far as it needs to go. Obviously new committee members join and at the point of their appointment they should also be asked to let you know if they can’t answer the assumptions positively and again, this should be recorded.

What Happens if Someone Can’t Answer The Assumptions Positively? Is this not Breaching GDPR?

With the change to the time scale for the questions and the way in which club/federation committees are appointed/run I imagine that it will be unlikely that there will be many people who have to advise that they cannot answer one of the assumptions positively. If this arises then I would ask that you send me limited information so that I can refer it. Insurers would not need (nor ever ask for) the actual committee members name just the date of conviction or bankruptcy along with basic details therefore there is no GDPR risk in passing the information to ourselves or to RSA. With regards to what Insurers would do policy wise – they have confirmed that, depending on the situation, they would likely take a lenient view and just note the policy.

Thanks and kind regards

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