

Accountants Professional Indemnity

Target Market Statement

Product Type

This is an insurance product for customers who are professional individuals or businesses offering accountancy activities such as accounting, auditing, tax consultancy, bookkeeping and payroll services.

The product helps protect a customer's business and reputation from claims made against them arising from their negligent and/or alleged negligent acts or omissions including the costs incurred in defending a third-party claim. The product also includes cover for Ombudsman Awards, arising from complaints made to an Ombudsman regarding a customer's provision of professional services.

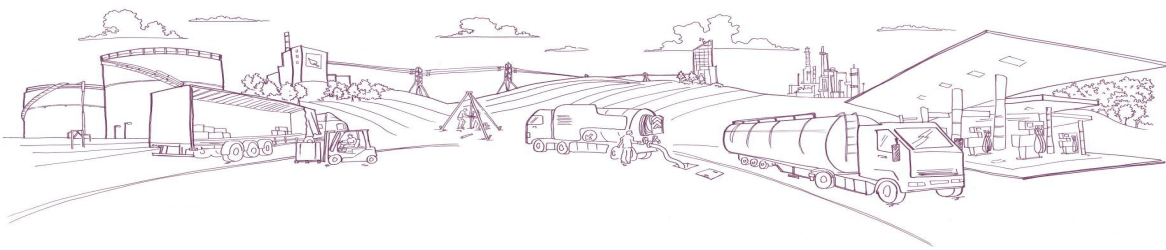
This product provides compliant professional indemnity cover to meet the regulatory requirements and membership rules of The Institute of Chartered Accountants in England and Wales (ICAEW), The Associate Chartered Accountants (ACA) and The Association of Chartered Certified Accountants (ACCA) in the UK.

Characteristics of the target market (who is the product designed for?)

This product is designed for customers located in the UK, Channel Islands and the Isle of Man who provide accountancy services, which include but are not limited, to:

Accountancy	Auditing
Bookkeeping	Payroll
Personal Taxation	Corporate Taxation
Management Consultancy	Secretarial Share registration Services
Trusteeship	Executorship
Insolvency	Directorship
Mergers & Acquisition	Investment Services

- Cover is provided to a varying size of professional business from micro SMEs to those with an income upwards of £10 million per annum.
- Cover is provided to customers who are members of the following accountancy and taxation regulatory bodies:
 - Associate Chartered Accountants.
 - Institute of Chartered Accountants in England and Wales (ICAEW).
 - Institute of Chartered Accountants of Scotland (ICAS).
 - Association of Chartered Certified Accountants (ACCA).
 - Chartered Institute of Public Finance and Accountancy (CIPFA).
 - Chartered Institute of Management Accountants (CIMA).
 - Institute of Accountants and bookkeepers.
 - The Association of Accounting Technicians (AAT).



- Chartered Institute of Taxation (CIOT).
- Association of Taxation Technicians.

This product may be sold to vulnerable customers.

Objectives, needs and interests of the target market (considering the key features and benefits of the product)

Customers will benefit from the following policy features:

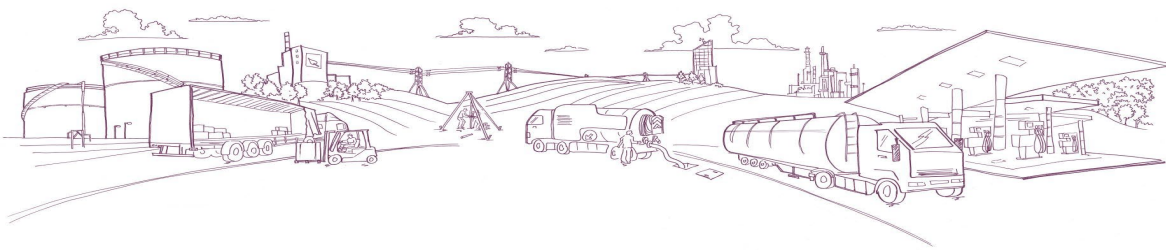
- **Civil Liability** – Cover for claims made against the insured for civil liability arising from their professional services. This includes negligence, breach of contract, and breach of fiduciary duty.
- **Liability for Loss of Documents** – Cover for physical loss of or damage to documents suffered in connection with the Insured's professional business, for the reasonable costs and expenses incurred in replacing or restoring documents owned by any third party but which at the time of loss were the insured's responsibility.
- **Ombudsman Awards** - Cover for any final and binding compensatory award (including an award of costs) made against the insured by any ombudsman under any recognised scheme applicable to the insured's professional business.
- **Legal Representation Costs** - Cover for legal costs incurred with our prior written consent to enable the insured to be represented at any inquiry or other type of proceeding.
- **Fidelity** - Cover for the insured's own direct loss sustained by reason of any dishonesty or fraud of any employee.
- **Defence Costs and Expenses** – Incurred in defending a claim made against the insured.
- **Own Copyright Protection** - Cover for any legal costs incurred in pursuing a claim for infringement of copyright.
- **Court attendance expenses** – Cover for the insured and their employees to attend any court or other judicial tribunal.
- **Run-off Cover** - Provides protection after a firm ceases trading and claims made during a specific period after closure.

Who is this product not designed for?

This product is not appropriate for customers or businesses:

- Domiciled outside the United Kingdom, Channel Islands and Isle of Man.
- Providing services other than accountancy, auditing and taxation.
- Providing audit and/or taxation services to quoted companies.
- Acting as Independent Financial Advisors.

How do we expect this product to be distributed?



This product should be sold with the active assistance and guidance of an insurance intermediary to select the appropriate level of cover. The product will only be distributed through brokers to customers with whom Pen has an agency and not directly by Pen to customers.

This product is suitable to be distributed via a variety of intermediated sales channels, such as face to face, telephone, email, or by postal application by an intermediary with whom Pen has an agency.

Consideration should be given to the vulnerability of customers by the intermediary who should provide any support they may need.

What are the distributor value considerations?

We expect all distributors in the chain to consider the following when selling Pen's products:

- The impact on product value of offering other products alongside this one, especially those with proportionally greater remuneration. For example, an ancillary product, elements of which may duplicate existing cover, or premium finance charged at an elevated rate of APR.
- Additional commission, fees or charges added as part of distribution processes must be proportionate to the service provided, in line with those charged elsewhere, and not affect the overall value offered by the product.
- Distributors must ensure there is no duplication of cover as a result of any add-on products sold, where appropriate cover is already provided by the policy.
- Distributors must provide full details on all risks submitted on a suitable proposal form.
- Distributors should fully consider the demands & needs of customers and the Consumer Duty requirements when dealing with customers.

Scope

This document is intended to provide an indicative summary of the target market for this product and is not a summary of coverage. Please refer to separate policy documentation for full details of the coverage provided by the product.

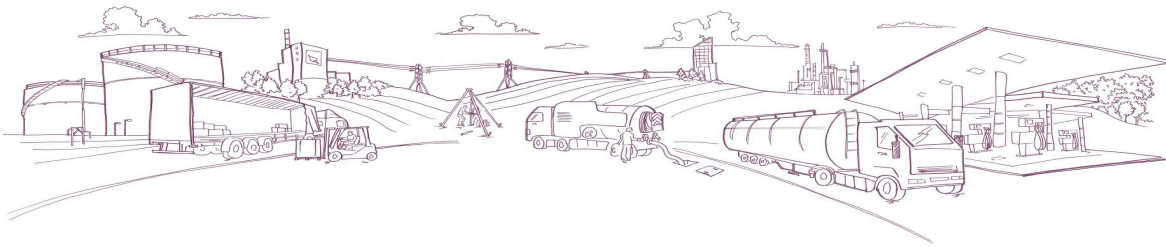
Product Approval Process

Pen has a product approval process in place to ensure that there is appropriate oversight of all products where Pen is either a co-manufacturer or a distributor. The process includes a risk assessment process where due consideration is given to the impact of the product on the target market and the value of the product.

A diagram of Pen's product approval process can be found on the Pen website [here](#).

Important Information

Pen Underwriting Limited is authorised and regulated by the Financial Conduct Authority (FCA number 314493). Registered Office: The Walbrook Building, 25 Walbrook, London EC4N 8AW. Registered in England and Wales. Company Number: 5172311. www.penunderwriting.co.uk



This target market statement should be used by all (co-)manufacturers and distributors of this product. (Co-)manufacturers and distributors should not create their own variation of this document. Where any party using this document has concerns about the accuracy or completeness of the information included, this should be raised to Pen urgently for discussion.

Valid From

31/10/2024

Next Review Date

On or before 31/10/2025