

# PROTECTING SOLE TRADERS



Management Liability cover:  
Protecting you, your business and your reputation.



**NFU Mutual**  
BUSINESS INSURANCE

# WHAT IS MANAGEMENT LIABILITY FOR SOLE TRADER INSURANCE?

This cover is designed to provide protection against actual or alleged wrongful acts by you, the business owner, while acting in a business capacity. It can provide cover for defence costs and awards of settlements and damages.

Wrongful acts can include:

- Errors
- Misleading statements
- Omissions
- Defamation



# TYPICAL COVER BENEFITS

The following cover can be made available through our partner insurance provider, AIG.

## **Standard cover**

Standard cover offers flexible limits up to £1m to meet the needs of your business, including cover for Management Conduct Investigations and Health and Safety and Manslaughter Liability Issues. We also offer access to an Advice and Defence Legal helpline.

### Management Liability:

- Allegations of wrongful acts e.g. errors, omissions, breach of duty or breach of trust.
- Defence costs in civil, criminal, regulatory, extradition, bodily injury, property damage, pollution or supply contract claims.
- Damages and settlements in civil proceedings.
- Reputation protection costs.
- Representation costs in regulatory investigations.

Health and Safety and Manslaughter Liability:

- Allegations of health and safety breaches, gross negligence, manslaughter and food safety offences.
- Defence costs in criminal or extradition proceedings making such allegations.
- Representation costs in non-routine inquiries by health and safety authorities.
- Cover for Fees for Intervention charges by the Health and Safety Executive.

**Optional cover**

Employment Practices Liability cover:

- Limits up to £500,000 to cover defence costs, damages and settlements for a variety of violation issues relating to employment practices.

The cover automatically extends to the Emergency Manager (where applicable). The Emergency Manager may take over the business in your absence or run your business with you in circumstances where you may be injured, unwell or incapacitated.

Limits, sub-limits and exclusions apply. Please see policy wording for full details, provided by your local agency office.

## WHAT'S THE RISK?

As a sole trader, you'll be exposed to many of the same risks as limited companies, but with one key difference – there is no legal distinction between the owner and the business.

As you're responsible for running the business and meeting its legal requirements, if you fail or are alleged to have failed in this, you could face civil, criminal or regulatory proceedings. Your personal assets, such as your car, home or savings, are all at risk, as well as your reputation.

Claims can come from various sources; employees, regulators, suppliers and other third parties, and allegations can be extremely costly to defend, even if you have done nothing wrong. It's therefore vital to have the right protection in place to give you the best chance for a positive outcome.

Ask yourself the following questions – do you have cover in place:

- To defend allegations, unfounded or otherwise?
- To receive legal advice in respect of a claim or a circumstance that could give rise to a claim?
- To defend civil, criminal, administrative or regulatory investigations?
- For allegations of employment practice violations?

# NEXT STEPS

For more information on how NFU Mutual can help your business, please call us for a conversation or to arrange a face to face meeting. We're here to listen.

We're committed to supporting our customers, whatever your circumstances or needs we're here to help.

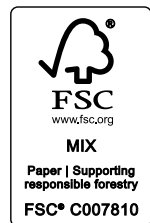
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