

Deputy Bonds

Key Facts Document



THIS IS A SUMMARY AND DOES NOT CONTAIN THE FULL TERMS AND CONDITIONS OF THE COVER.

HCC International Insurance Company PLC trading as Tokio Marine HCC

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Surety Bond Placement

Howden Insurance Brokers Limited (“we” and “us”) will place your Deputy Bond with:

HCC International Insurance Company PLC trading as Tokio Marine HCC (“HCC”)

Registered Office: One Aldgate London EC3N 1RE United Kingdom.

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Firm Reference Number 202655.

Surety Bond (The Bond)

A Surety Bond is required by the Court of Protection prior to appointing a person as a Deputy in respect of the subject of the Deputyship (known as “P”).

A Surety Bond is a guarantee issued by HCC to pay - as notified by the Office of the Public Guardian (the “OPG”) and directed by the Court of Protection (the “Court”) - any financial losses suffered by “P” up to the amount of the Security specified in the Bond, arising from the failure of a Deputy to perform their Deputyship duties. It meets the security needs the Court requires under the Mental Capacity Act 2005 before finalising a Deputyship order.

Please note that Surety Bonds are contracts of guarantee and are not contracts of insurance at common law. This is important to note because the purpose of the Surety Bond is to protect “P” only and the Surety Bond does not provide any benefit to the Deputy (save that the issuance of a Deputy Bond is required by the Court of Protection prior to appointment of any person as a Deputy acting for “P”). In addition, because Surety Bonds are contracts of guarantee, in the event that HCC pays out under a Surety Bond at the direction of the Court, then HCC will have rights of counter-indemnity to recover against each Deputy on a joint and several basis.

Significant Features And Benefits

The amount of Security is set by the Court in the Court Order, and only the Court has the right to increase or decrease the Security amount. The Bond will be automatically amended if a Court Order is issued changing the security amount. You will receive notification of any security change by email or letter. Please note that you will not be required to sign a new form to agree to this amendment.

You will be advised of any change to the premium due at the next due date as a result of this change.

Significant And Unusual Terms

All Deputies are liable to reimburse the surety company HCC for any loss and costs incurred by HCC should the Office of the Public Guardian enforce the bond as directed by the Court. In the event of loss under the bond, HCC will take such action as appropriate against Deputies to recover their loss. If there are multiple Deputies appointed under the deputyship, each Deputy is liable for the actions of all the other Deputies on a joint and several basis.

There is no financial protection for Deputies under the surety bond.

In the event of a reduction to the level of bond security, there will be no refund or return premium for any premium payments already made.

All premiums are non-refundable.

Premium Payment

Annual Payment Bonds -You must pay the initial and all future premiums by the due date in respect of the Bond. If you fail to do so HCC may apply to the Court to be relieved of further liability.

Single Payment Bonds –This is a one-off payment for the lifetime of the Bond. You are not entitled to any refund in the event of early termination of the Bond, or reduction in the amount of Security.

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Surety Bond Payment

Payment of bond premiums will be payable to Howden Insurance Brokers Limited.

Please note that each Deputy (and, if more than one, all Deputies on a joint and several basis) are liable for all premiums due to HCC in connection with their Surety Bond. This is regardless of whether or not that Deputy has access to the assets of "P" in order to reimburse himself in respect of those premiums or whether that Deputy ceases to act as a Deputy for "P".

How A Claim Is Made

The Court is the only body that can initiate a claim on this Bond. The Bond will be forfeited by the OPG through an Order issued by the Court. This Order and the original signed Bond, held by Howden Insurance Brokers Limited, will be forwarded to HCC with the Court's direction for payment.

Duration Of The Bond

The Deputy Bond must be maintained and premiums paid for the duration of the deputyship. All appointed Deputies under the deputyship must be declared under the bond.

Cancellation Rights

Only the Court has the authority to cancel a Deputy Bond. Should the bond be cancelled by the Court, there is no return or refund of premium.

Complaints

We strive to do everything to ensure that you receive the best possible service. However, if you wish to make a complaint about our service please contact Howden Insurance Brokers Limited in the first instance at

Compliance
Howden Insurance Brokers Limited
One Creechurch Place
London EC3A 5AF
+44 (0)20 7623 3806
ComplianceHIBL@howdengroup.com

Financial Ombudsman Service

HCC are covered by the Financial Ombudsman Service. If you are not satisfied that your complaint has been resolved you may be entitled to refer it to this independent body for review. The contact details are:

Financial Ombudsman Service

Exchange Tower
London E14 9SR
0800 023 4567 or
0300 123 9 123

Following the complaints procedure does not affect your right to take legal action.

Financial Services Compensation Scheme

The business of HCC is covered by the Financial Services Compensation Scheme. A claimant under the Surety Bond may be entitled to compensation from the scheme if HCC cannot meet their obligations, depending on the type of business and circumstances of the claim. Further information about compensation scheme arrangements can be found on the FSCS website.