



INTERNATIONAL
LIVE EVENTS ASSOCIATION

MIDDLE EAST CHAPTER

Insurance for Freelancers



مسرح دبي الاجتماعي ومركز الفنون
*Dubai Community Theatre
& Arts Centre*



Freelance Workers

Insurance and Risk Considerations

Freelance Workers - Insurance and Risk Considerations

Arranging your own insurance

In order to arrange your own insurance you need to provide documentation to satisfy Central Bank and Insurance Authority regulation on Know Your Client (KYC) and Anti-Money Laundering (AML).

If you have a registered company you will need to provide:

- **A valid Trade Licence**
- **Details of all shareholders**
- **Confirmation of your business bank account**

If you are an individual you will need to provide:

- **Copy of your Passport**
- **Copy of your residency visa**
- **Copies of bank statements showing where funds are coming from to pay for the insurance cover**

Freelance Workers - Insurance and Risk Considerations

Arranging your own insurance

Insurance cover can be split into 2 categories:

- 1. Legally required insurance cover**
- 2. Voluntary purchased insurance**

If your company is registered in Dubai or Abu Dhabi you are required by law to have Compulsory Medical Insurance and must also provide compulsory medical insurance for all employees who you for a residency visa for.

Voluntary insurance covers purchased include:

- Third Party Liability/Public Liability/Commercial General Liability (Liability cover is referred to by various names but the cover is generally the same)**
- Workmen's Compensation and Employers Liability**
- Equipment Insurance**

Professional Indemnity Insurance

- **Professional Indemnity Insurance (“PI” Insurance) covers legal costs and expenses incurred in the defense of a legal action made against the insured.**
- **It also covers damages or costs that may be awarded in a court of law.**
- **The legal fees and damages incurred must arise out of alleged negligence in the provision of “professional services” by the insured.**
 - The allegations can include an error or mistake committed in the services provided by the insured.
 - The provision of inadequate advice may lead to a claim
 - Designs provided that do not meet your client’s stated specifications can also lead to a claim
- **For the policy to trigger, this alleged negligence has to lead to a direct financial loss to your client.**
 - The policy will not cover “indirect” or “consequential” losses, only the direct financial loss arising as a result of a “wrongful act” (i.e. error committed).
 - The policy can also provide cover for losses incurred as a result of property damage and bodily injury if they are as a result of a “wrongful act” , if applicable to the insured’s scope of business.
- **The policy is written on a “claims-made” basis and not on a “losses occurring” one. This means that it is the policy in place at the time a claim is made that will trigger and not the policy in place at the time the alleged “wrongful act” was committed.**
 - Claims can be made a number of years after the mistake or error was committed as financial losses may take some time to manifest themselves.

Freelance Workers - Insurance and Risk Considerations

Relying on someone else's insurance

If you are unable/unwilling to purchase your own insurance cover then you will need to rely on the company that is employing you to provide insurance to cover you for the work you are doing for them.

The main risk you need to consider is the possibility of causing injury to a third party (a person not connected to the project) and/or damage to the property of a third party.

To cover this the company will be required to have Liability cover in place. This is referred to by various names (Third Party Liability, Public Liability, Commercial General Liability) but the cover is generally the same.

You will need to ensure that the company has this cover in place and the policy extends to provide cover for you as a temporary employee. It is common in the UAE for policies to only cover permanent employees so you need to make sure that you are covered.

You may also wish to request the company to provide personal accident insurance to cover you in the event that you sustain an injury whilst working and may not be able to work again until you have recovered from the injury.

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