

Professional Indemnity **Changes to cover**

Professional Risk Underwriting Pty Ltd (ProRisk) have been selling a product named ProRisk Civil Liability Professional Indemnity Insurance Policy v04.21 and previous versions since as early as 2003. Professional Indemnity Insurance was actually ProRisk’s first product that we began selling way back when we first opened our doors to trade and arguably, it’s the product for which we’re best known.

Like all insurance products, we need to regularly update the policy terms and conditions to ensure that our insureds continue to receive market standard coverage and maintain a competitive position within the market place.

We have recently undertaken an extensive review of our current ProRisk Civil Liability Professional Indemnity

Insurance Policy v04.21 offering with a view to completely updating it.

We have had to completely re-write the entire wording from the ground up to ensure that all of our products are in the same easy to read format moving forward and that the products are able to be sold through an online portal, which will enhance the buying experience and improve turnaround times. Rather than going through each change line by line, like other “changes to cover fact sheets” that you may have come across, we will talk through the changes at a high level. Because the wording has been completely redrafted, rather than amending the expiring wording, it is not possible to talk through each change line by line.

Words in bold have a defined meaning in the **policy**.

Change made	Explanation
We have changed the name of the product from ProRisk Civil Liability Professional Indemnity Insurance Policy v04.21 to ProRisk Professional Indemnity Policy v04.22.	The product is still what the market considers a civil liability form, we have merely changed the name so that it is shorter for marketing materials and the platform.
Updated language	We found that the language used in some of our policies used outdated old English. Where possible, we’ve tried to update the language to make it easier to understand, using more modern, simple English.
A new layout	The new product is set out as follows: 1. Insuring Clauses 2. Extensions of Cover 3. Exclusions 4. Defined Terms 5. General Terms & Conditions This new layout will be standard across all of our new commercial products.
Defined terms	Defined terms in v04.21 used capital letters. All defined terms in the new product now use sentence case to make reading easier to read.
Insuring Clause 1.1 (Civil Liability Cover)	We have included cover for loss on account of any civil liability. This is generally considered a broader form of coverage and more in line with market standards.
Insuring Clause 1.2 (Employee Fidelity Cover)	Provides a sub-limit for employee theft.

Change made	Explanation
Insuring Clause 1.5 (Investigation Costs Cover)	Provides a sub-limit for loss arising from an investigation commenced during the insurance period by an official body.
Insuring Clause 1.4 (Statutory Liability Cover)	Provides a sub-limit for loss arising from an claim commenced during the insurance period by an official body.
Sub-Limits	Sub-limits used to be specified in the policy wording in the v04.21 wording. However, we now specify why the relevant sub-limits are in the schedule. This allows the reader to clearly understand what cover is available in the policy without the need to read through the policy wording. It also allows underwriters to amend them where appropriate without the need to apply an endorsement.
Value Added Benefits	The v04.22 wording provides additional non-risk transfer services such as Contract Reviews, access to up to 1 hour free legal advice and access to the ProRisk Whistleblower Hotline. These Value Added Benefits are accessible to the policyholder regardless of whether they have had a claim made against them or not.
Retired or Resigned Insured Persons	Coverage is limited to 84 months, so that is in line with the various State, Territory and Federal Statute of Limitations regimes.
Rating and Underwriting factors	Previously rated based on fees and underwriting tables, rather than an algorithmic model. The new rating model will provide more accurate pricing and give more choice to the policyholder, including choice of excess and choices of limit.
Choice of limit and excess	Policyholders are able to choose the limits and excesses that they wish to apply within their own individual levels of risk tolerance giving more choice to the consumer.
Broader scope of appetite	Our new industry codes are based on the ANZSIC codes, which are a more accurate and standardised industry coding method, in line with much of the market.
General Terms & Conditions v04.22	All new wordings, including this new wording, will have a standardised General Terms and Conditions section. Our revised product suite is designed to be sold as part of a package of products that work together to provide complimentary coverage.
Sanctions Limitation	We have made it clear that we will not cover any individuals or entities that are subject to a trade or economic sanction, as is the law in the Commonwealth of Australia, its States and Territories.



If you have any questions in relation to the change in product, please do not hesitate to get in contact with one of our underwriters, who will be able to assist.