

COMPLIANCE SUMMARY TEMPLATE

Minimum Requirements for Professional Indemnity Insurance Policy

July 2024

Minimum standard contained within Rule 78 of the *Legal Profession Uniform General Rules 2015*

Details as to how the Practice's PII Policy meets/exceeds the standard? (Please reference the applicable clause in the Policy)

Must cover civil liability, including professional negligence, insured in connection with the legal services provided by the law practice.

Must operate on a "claims made" basis and cover claims made or notified during the period of insurance and claims made after the period of insurance arising from circumstances notified during the period of insurance.

Must provide a minimum coverage of \$2 million for each and every claim under the insurance, inclusive of the claimant's costs and defence costs.

Must cover all current and former principals or employees engaged in the legal practise of the law practice.

Must provide indemnity for run-off liabilities for a minimum of 7 years from:
the date (during the period of insurance) that the law practice ceases to practise, or the date of expiry of the period of insurance, if the law practice is not covered from the relevant date by a further policy that complies with these minimum standards, including the requirement for run-off cover under this subrule.

Minimum Requirements for PII policy

In the case of a claim arising from dishonesty or fraud, must not exclude indemnity for the liability of a principal of, or employee engaged in the legal practice of, the law practice who was not knowingly connected with any dishonesty or fraud related to the claim.

Must not provide the insurer with a right to avoid, cancel or reduce cover because of--

- (a) any innocent or non-fraudulent non-disclosure or misrepresentation by the law practice, or
- (b) any late notification of a matter or claim, but may provide for reimbursement of the insurer for prejudice caused by late notification of a matter or claim.

Must provide retroactive cover.