

Professional risks insurance

This guide is for intermediary reference only:

It does not contain the full terms and conditions of the contract of insurance.

Full terms and conditions are within the policy documents; you can request to have a copy of these.

Background

By taking the necessary time to understand the activities undertaken and to subsequently identify the specific exposures faced, we are at the forefront of insuring a variety of diverse risks, many of which are complex or unique and do not fit traditional underwriting guides. A professional practice may trade as a sole practitioner, in partnership or as a limited liability company, generating fees ranging from a few thousand pounds to a few million.

Product design

Markel products go through a Product Design and Approval process to ensure products are able to meet the needs and objectives of the target market. This product has undergone testing, including industry benchmarking as part of this approval process.

Professional indemnity insurance is designed to provide an indemnity for damages which are awarded against the insured. This includes legal costs in defending the claim and costs awarded against the insured, should the defence prove unsuccessful.

Cover is provided on a 'claims made' basis, where the policy is designed to respond to claims that are made during the period of insurance, regardless of when the wrongful act that caused the claim took place (subject to any retroactive date that may apply).

Some insuring clauses such as employers' liability are on an occurrence basis, coverage is provided for incidents that happen during the policy period, regardless of when the claim is filed.

Limits apply either on an any one claim basis or in the aggregate for the period of insurance, dependent on the type of exposure.

We confirm that the product is free from any innate conflict of interest that would compromise you from putting customers interests first.

Target market

The Target Market for our Professional Risks product are commercial customers who meet the following criteria:

- That are domiciled within the United Kingdom
- Businesses who provide a professional service to a third party

We are always willing to consider new and emerging professions, however this product is not suitable for:

- Non-UK businesses
- Businesses requiring a primary cover exceeding £10M limit of indemnity
- Businesses with connections or links to sanctioned individuals or countries
- Risks based outside of the United Kingdom
- A person acting for purposes outside their trade, business or profession
- Customers just wanting run off exposures

Scope of cover

Professional indemnity policies have traditionally been arranged on a standalone basis, but we provide a menu offering that allows other types of business protection to be arranged under the same policy.

We tailor all aspects of each policy specifically to the individual risk, ensuring that you have the right cover for your client's exact needs.

We can offer cover for:

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| ☒ Public liability insurance | ☒ Property damage |
| ☒ Employers' liability insurance | ☒ Business interruption |
| ☒ Directors' and officers' liability | ☒ Damage to portable property |
| ☒ Entity defence | ☒ Money and personal assault |
| ☒ Employment law protection (including employer helpline and assistance) | ☒ Cyber and data risks insurance |
| | ☒ Fidelity |

Should a client be in a position to make a claim, we have dedicated claims handlers on hand specifically for this product, possessing the expertise to process the claim and advise the customer to limit loss from the outset.

Product value assessment

We have taken into account the cost to Market to provide the product, the chosen distribution channel and, the key features and benefits, alongside anticipated product performance and customer services to undertake a Fair Value Assessment. This includes where an add-on product (including premium finance) not manufactured by us is sold alongside, or forms a package with the distribution of our products. As part of this assessment we have collaborated with our chosen distribution partners to gather and assess fees and charges associated with the Product at point of interaction.

Following our assessment of our Professional Indemnity product, the product as presented provides Fair Value to the intended Target Market, which has been assessed through the Management Information available to us on the products performance, evidencing the value to Policyholders overall. We have determined that the features, benefits and distribution strategy remain consistent with the needs of the Target Market, and provide suitable coverage. The defined distribution strategy is appropriate for this product, and provides the value intended through the policy lifecycle.

Distribution strategy

Our Professional Risks insurance product has been designed for distribution by insurance intermediaries that hold commercial agencies with us. They must have the appropriate level of understanding about the risks and exposures faced by their customers in the operation of their business.

The distribution strategy is considered appropriate for the target market with customers having the option to purchase these products directly from Markel or through a distributor of their choice based upon their expertise in the field. These products are considered suitable for non-advised sales.

Distributor / partner remuneration and costs

We expect the following to be agreed, prior to any placements being made:

- Commission levels
- Fee for Service arrangements, should they be entered into between both parties

Distributors / partners responsibilities

You are reminded to assess fair value to your customers where you charge additional fees, charges or where commission rebating takes place. Distributors / partners should consider whether their customers who are purchasing a Markel UK Limited product are being charged any additional fees that are not funded by the premium paid.

If a distributor / partner identifies that a product is not providing fair value and this has been caused by the distributor's / partner's distribution arrangements, including its remuneration arrangements, the distributor / partner must immediately inform Markel UK Limited for appropriate action to be determined.

Providing feedback

We welcome any feedback from our distributors / partners on the performance of our products. All feedback will be considered in our next product review. We shall host regular touchpoints with you to discuss the product offering and any support required.