



PROFESSIONAL INDEMNITY

SOLICITORS — PROFESSIONAL INDEMNITY INSURANCE

OVERVIEW

Professional Indemnity Insurance (PII) for solicitors in England and Wales is essential for protection against claims. It is a regulatory requirement for all law firms in England and Wales. Sole traders and partnerships must hold a minimum of GBP2 million in coverage, while incorporated practices are required to have at least GBP3 million. In addition to these minimums set by the Solicitors Regulation Authority (SRA), many firms also purchase excess layer policies to enhance their total limit of liability, ensuring it matches their highest contract values and exposure risks

WHY SOLICITORS NEED PROFESSIONAL INDEMNITY INSURANCE

- **Risk Transfer:** Mitigates the financial risks associated with claims arising from your advice and services.
- **Regulatory Compliance:** Mandatory for solicitors in England and Wales, as required by the Solicitors Regulation Authority (SRA).
- **Client Contracts:** Many clients require solicitors to have specified professional indemnity limits as a condition of doing business.

COVERAGE DETAILS

Coverage Limits:

- Typically, available from GBP2 million to GBP10 million per claim.
- Higher limits can be arranged based on specific needs and client requirements.

Excess:

- Typically ranges from GBP2,000 to GBP30,000, depending on the policy and risk profile.

Typical Coverage Inclusions:

- Full Civil liability coverage as per the Minimum Terms and Conditions.

Typical Coverage Exclusions:

- Debts and trading liabilities.
- Directors' & Officers' liability.
- Employment Practices: Claims related to employment practices such as wrongful termination, harassment, etc.
- Bodily Injury and Property Damage: Not arising from professional services.
- Partnership disputes.
- War and terrorism.

This document is a guide to coverage provided under a typical professional indemnity policy. This is not an exhaustive list or policy-specific but is intended to provide you with a guide to common coverage under professional indemnity insurance. The applicability of cover will be determined by the actual policy terms, conditions, exclusions, and limitations in force at the time of a claim notification to insurers.

LET'S TALK

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