

## **IFA PI Run-Off Cover Option**

The Professional Indemnity (PI) insurance that we arrange for you is on a 'claims-made' basis which is in line with standard market practice. It will not provide cover for any new claims or circumstances that may give rise to claims that are discovered after its expiry date and not reported during the current policy period. These should be reported under the policy you have accepted at the time (if any).

This offer from insurers is designed to give you the option of set terms for further valuable PI protection should you cease trading after having been insured with this Insurer for two years or more. These terms include a highly competitive premium **set now** at a lower rate than is standard market practice, rather than you having to negotiate in what could be a more adverse market of the future. Furthermore, as set out below, this offer may allow you to take advantage of purchasing more than one year's run-off cover in one go, which is not usually available elsewhere.

This option is only available if you satisfy the necessary criteria at the beginning of the run-off period and the Insurer involved still being in a position to write this class of business and them having made this offer at the renewal immediately prior to you requiring run-off cover.

### **Available period of cover**

Dependant on the length of time you have been with your current Insurers, they will agree to offer the following should you cease to trade and require a period of run-off cover after the current policy expires.

After 1<sup>st</sup> Renewal\* = Option for 1 Year of run-off cover available at expiry.

After 2<sup>nd</sup> Renewal = Option for 1 or 2 Years of run-off cover available at expiry.

After 3<sup>rd</sup> Renewal = Option for 1 or 2 or 3 Years of run-off cover available at expiry.

\*Renewal means you would already have had at least one year's cover with the Insurer offering this Endorsement.

### **Action**

Once run-off cover is finalised a 'Run-off Endorsement' will be issued which will confirm the terms of the cover provided.

Please note that to protect your position in the event of a claim being made, it is necessary to fully comply with all relevant terms and conditions of the policy, both explicit and implied. For instance, you will need access to all files and information as by not doing so, you may prejudice the investigation and defence of a claim.

We recommend that prior to the expiry of any run-off period, you review your requirements to see if you need any further cover and that you contact us accordingly.