

### **Claims Made Basis**

All professional indemnity policies are underwritten on a "Claims Made" basis. This means that:

1. In order for a claim to qualify for indemnity a policy must be in force when the claim is first made against the Insured. In terms of the policy conditions you are obliged to notify insurers as soon as you become aware of any circumstance which may lead to a claim. Any actual claim which then materialises would be deemed to be a claim under the policy which was in force at the time when the circumstance was first notified.
2. The cause of action giving rise to the claim must either be on or after the retroactive date shown in the Schedule of the policy.
3. If the policy has lapsed there will be no cover notwithstanding the fact that the policy may have been in force at the time of the cause of action arose giving rise to the claim. It is therefore important to renew the policy annually. If the practice ceases it is recommended that run-off cover be taken for a minimum of three years.
4. The policy is an annual policy and will run for a period of 12 months from inception / renewal.

### **Retroactive Date**

Claims first made against the insured arising from work performed on or after the retroactive date as it appears on the schedule of insurance will be indemnified in terms of the policy. This date is normally fixed as being the date on which the cover was first taken and would remain unaltered for the purposes of subsequent renewals. When cover is first taken, additional retroactive cover may be offered by insurers subject to certain conditions and premium loadings.