



Product: Professional Liability

Manufacturer Information
Product information
<p>A commercial policy designed to protect service-based entities, whose business activities output (products/ deliverable) manifests itself as intellectual work, consultancy, advice, design, specification, documentation, certificate, software, digital, information (as opposed to manual labour or tangible Products).</p> <p>Can cover claims against the insured entity for losses caused to the insured entities clients or any other persons in the conduct of the insured entities professional services, claiming the insured entity is liable for such losses as a result of inadequate services.</p> <p>Can provide coverage in wide range of scenarios such as professional negligence claims, data loss claims and allegations of poor business advice.</p> <p>Policies can be amended to the specific needs of the customer with the inclusion/ exclusion of certain coverages or the purchase of different limits.</p> <p>Coverage may include but not be limited to the following:</p> <ul style="list-style-type: none"> • Civil Liability • Liability for lost documents • Ombudsman Awards • Representation Costs • Legal defence costs & expenses • Protecting your own copyright • Attendance expenses • Hacker Protection
Target market
<p>This product is suitable for business including micro-enterprises, SMEs and larger commercial customers that wish to insure themselves against legal liabilities arising from the failure to perform professional duties and/or negligence.</p> <p>Example professions that this product may be suitable for include, but are not limited to, accountants, architects, engineers, insurance brokers and surveyors.</p>
Types of customer for whom the product would be unsuitable
<p>This product would not be suitable for:</p> <ul style="list-style-type: none"> • Individuals • Commercial entities not at risk of legal liabilities arising from the failure to perform professional duties and/or negligence.
Any notable exclusions or circumstances where the product will not respond
<p>Limitations:</p> <ul style="list-style-type: none"> • TMK will have the right to participate in the settlement of any claim. • Insured firm must take reasonable care to minimise any loss or liability. • Insured firm must tell TMK promptly about any claim or loss or anything which is likely to give rise to a claim. • Insured firm must not admit liability or make any offer of settlement unless TMK have provided prior written agreement. <p>Exclusions include but not limited to:</p> <ul style="list-style-type: none"> • Claims made prior to the policy period or emanating from facts or circumstances known prior to the policy period and/or retroactive date. • Fines and penalties • War or uprising



- Sanctioned countries and/or individuals
- Insured misconduct
- Prior or known claims and circumstances
- Trading losses, claims regarding infringement of patents or trade secrets

Limits of Liability:

- Stated in the schedule and/or policy documentation.

Excesses

- Deductibles stated in the schedule.

Other information which may be relevant to distributors

This product is permitted for sale with up to 3 distributors in the chain.

The product may be sold as a stand-alone product;

No further distributors in the chain are permitted without TMKS' approval. Any such approval will include consideration of their impact on product value.

This product can be sold with or without advice in line with FCA regulations or local regulations if distributor is not regulated by the FCA.

Where Distributor 1 sells this Product via multiple other distributors (via sub-delegations or sub-brokering), it is their responsibility to ensure all distributors have been provided this document, have reviewed it and understand the content. If there is any additional remuneration, including commissions, fees or other 'non-standard' remuneration charge to the customer by other distributors, it is the responsibility of Distributor 1 to inform TMK of these details accurately and in full.

All distributors are expected to fully understand the eligibility criteria, covers and exclusions of the product.

Sales journeys must identify customer eligibility and ensure that key information and choices to be made are presented to customers in a way that supports a customer through the process of understanding core cover and configuring optional elements of insurance to suit their specific demands and needs.

This product can be sold face to face, via telephone, online rating engine or electronic communication or a mix of these methods, as long as customers are provided with sufficient information to make an informed decision regarding the suitability of the product.

Commission & Fees

If there is a coverholder in the chain, they are expected to ensure that maximum commission rates do not exceed those stipulated within the Binding Authority Agreement.

The coverholder is expected to maintain oversight of all broker commissions (where applicable) and, where there may be a risk to product value, remedial action should be taken immediately including notification to Tokio Marine Kiln.

Brokers are reminded of their own regulatory obligations in relation to remuneration under PROD 4.3.6 as well as the requirements to make all necessary disclosures to the customer.

Where there are any fees charged by any member of the distribution chain these should be:

- commensurate with the service provided by the distribution.
- not have an adverse impact on customer value; and
- distributor should ensure that TMKS is made aware of the fee amount and/ or method of calculation.

How value is assessed

Value is assessed based on a number of metrics, including underwriting, claims and complaints information as well as through broker and coverholder engagement.

Remuneration paid as set out in our agreements with distributors has been considered as part of the value assessment.

If additional add-ons (including premium finance) are sold alongside this product or additional remuneration is charged, this may affect the value for the customer.

Further information on our product approval processes can be obtained on request.

Date Fair Value assessment completed	September 2023
Expected date of next assessment	September 2024