



Lawcover Insurance Pty Ltd
2016/17 Professional Indemnity Insurance Policy
Explanation of Changes

1. Clause 1 – includes the term “unincorporated legal practices” into the definition of insured. This is a term used in the *Legal Profession Uniform Law*.
2. Clause 8(a)(v) – changes the reference from the *Legal Profession Act 2004* to the *Legal Profession Uniform Law*
3. Clause 8 (g) – adds a new exclusion to cover situations where making a payment might place Lawcover Insurance in breach of political or trade sanctions. This is a form of exclusion that is becoming more common in insurance policies worldwide.
4. Clause 20 – now provides for two alternative mechanisms to resolve disputes about the settlement of claims. The first allows an insured the right to continue to defend a claim, despite Lawcover’s recommendation to settle that claim, but limits Lawcover’s liability for the claim at the amount of the recommendation. The second mechanism provides for Lawcover and the insured to seek a joint opinion from an independent lawyer (that opinion being binding on both parties) as well as a deeming provision. The choice between these two mechanisms is within Lawcover’s absolute discretion.
5. Clause 25 – the *Legal Profession Uniform Law* provides the Office of the Legal Services Commissioner the right to make compensation orders against Lawcover insureds. This change clarifies that the excess is payable where the OLSC has made a “compensation order” against the insured.
6. Clause 33 – this change is consequent upon the change to Clause 20.
7. Clause 43 (l)(ii)& (iv)& (n) – these changes are consequent upon the inclusion of the term “unincorporated legal practice” in the definition of insured, and defines that term with reference to the *Legal Profession Uniform Law*.