

Endorsed for CQS and Lexcel members



Lexcel



The Law Society

Frequently asked questions

CQS/Lexcel PII scheme

June 2012



In association with

AON



Frequently asked questions: CQS/Lexcel PII scheme

What is on offer?

Aon's exclusive arrangement with two of the largest qualifying insurers is based on firm size.

Under the initiative, Aon has an exclusive arrangement with two of the largest A rated qualifying insurers for 1 to 10 partner firms. Full details of their ratings will be provided to you with any quotation.

Both insurers are prepared to look favourably on CQS and/or Lexcel firms as part of their usual underwriting process. Each firm will still be individually underwritten based on their risk profile and claims history.

Firms with 11 partners and above are welcome to apply to the facility, however, there is no specific discount or agreement to recognise the quality mark as these firms will be sourced quotes on an 'open market' basis rather than through an exclusive facility.

For further information about ratings, see the Law Society's [2012 Insurers' Guide](#).

What are the benefits?

- Quality product
- Consideration of the accreditation for CQS members and Lexcel firms
- Exclusive access to credit rated and market security reviewed insurers
- Service standard levels
- Claims dealt with by qualified solicitors
- Use of the Law Society's [proposal form](#) although insurers may ask supplementary questions



How did Aon achieve these member benefits?

To present Lexcel and CQS firms as an attractive block of business to insurers, Aon used its existing information obtained from its 2011 proposal forms.

What level of commission will Aon and TLS receive?

On request, Aon will disclose the commission it and its associates (which include the Law Society) will receive as a result of successfully placing your business. We encourage you to ask Aon for disclosure of remuneration. See [PII Buyers' Guide](#).

TLS does receive remuneration as part of delivering this membership benefit. Our remuneration does not come at any additional cost to members. Instead, Aon has agreed to share some of its commission with the Law Society in recognition of the benefit that our endorsement brings the scheme.

Any funds received by the Society will be used to provide additional membership support in the future.

What is not on offer?

Aon will only seek one quotation for your firm, from their exclusive markets. Remember the market share of these two insurers is 31%.

This facility is simply one option for you consider using this renewal. TLS general guidance suggests you should obtain a fair market analysis when seeking quotations. You can seek additional guidance in the Law Society's 2012 [PII buyers' guide](#).

What will happen if Aon is not able to provide you with a quotation?

Aon can refer you to another broker who may be able to help you. This service is not part of the Law Society's endorsement.



Eligibility

I am in both CQS and Lexcel – do I get twice the benefits?

No. PII policies cover all aspects of the firm and insurers will underwrite a firm in totality taking into account all of its work types and risk management strategies.

As such, any discount or favourable treatment from the 2012 Lexcel/CQS scheme will be applied to the totality of the firm's risk profile. You will only receive one quotation.

I am only in one of the schemes (i.e. CQS or Lexcel) – can I still apply?

Yes. The PII scheme is for firms with CQS and/or Lexcel accreditation.

Members of either accreditation scheme can benefit from the PII facility.

I am a newly accredited member of either CQS and/or Lexcel schemes – can I still apply?

Yes. The PII scheme is open for firms that achieve CQS and/or Lexcel accreditation at the time they submit their proposal form on the basis that they have not already accepted a quotation already.

Do I have to join the scheme?

No. This scheme is simply another option and added membership benefit for CQS and/or Lexcel firms.

I am a CQS and/or Lexcel member and an existing Aon client, can I still benefit?

Yes, existing Aon clients will benefit in the same way as new clients.



What level of service can I expect?

The Law Society has negotiated a service standard agreement with Aon. Aon shall:

- comply with the FSA requirement to disclose commission on request from a firm. This shall include the fact that the Aon is paying commission to The Law Society. Aon will also confirm that the Society's remuneration adds no premium cost to the member firm;
- provide Policyholders information about financial security/credit rating and availability of financial services compensation scheme (FSCS);
- inform potential insureds that this is not a full market solution, based on a fair market assessment, and that Aon will only be seeking quotes from their exclusive markets;
- provide a dedicated phonenumber specifically for Lexcel and CQS accredited firms;
- use the Law Society's proposal form subject to some insurers requiring supplementary questions which Aon shall use reasonable endeavours to keep to a minimum;
- provide confirmation within 2 working days of receipt of a "full proposal". If Aon receives an incomplete proposal a communication will happen within 2 working days requesting additional information;
- when, Aon have all the information necessary either provide the client with quotation or an update within the next 5 working days;
- If Aon is unable to provide a Member with a quotation from an Agreed Insurer, it will refer the firm to its wholesale brokers;
- make clear in quotation documentation that the insurer will not allow cancellation after the quotation has been accepted;
- make clear in quotation documentation that if the firm does not accept the quotation within the stated time a second quote will be provided on request but that such quote shall be based on the Agreed Insurer's terms at the time of quotation, and that the premium quoted may differ;
- ensure quotations shall remain open for: 10 days up to 17 September 2012; 7 days from 17 September 2012; and 2 days from 24 September 2012;
- ensure all important policy terms are highlighted in the quotation document prior to acceptance;
- provide policy documentation within 30 days of inception of the Policy;
- communicate to a Policyholder any details or reasons for declination disclosed by the insurer within two working days of receipt of underwriters comments unless being appealed by Aon, in which case shall be communicated within 2 working days of underwriter's response to or comments on the appeal;
- handle complaints in accordance with the FSA requirements. A complaints handling report will be provided to the Society within 5 working days of the end of each calendar month;
- provide regular updates to the Society outlining Aon activity with Lexcel and CQS members.