

1 June 2012

Dear Members

PII buyers guide 2012

I wish to draw your attention to the 2012 PII Buyers Guide, a new publication launched by the Law Society to assist you make an informed decision when purchasing professional indemnity insurance (PII) for the 2012-13 indemnity year.

As an ordinary solicitor, I found the guide extremely informative and useful. It contains practical tips on how to engage with brokers and insurers and outlines important information explaining the different types of market participants, remuneration and service levels.

One important message that I would like emphasise from the guide is to encourage you all to ask your broker what they will receive in commission from insurers this renewal. The significant lack of transparency surrounding broker remuneration in the market is, in my view, unacceptable.

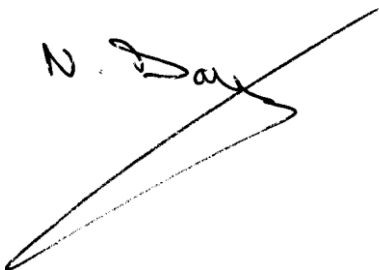
Solicitors have a right to request this information from their broker. The Law Society has made it easy for you to obtain disclosure by preparing a template letter that you can email or print and send to your broker.

While you are talking terms of business, you should discuss your service expectations with them. You may want to consider the Society's template retainer letter that embodies some service standards that you may wish request from your broker.

The Law Society's PII webpage <http://www.lawsociety.org.uk/practicesupport/regulation/pii.page> has a suite of other guidance that is currently being updated in preparation for the renewal season. Follow us on twitter at LSRegAffairs to be alerted to changes.

I wish you all a successful PII renewal.

Yours sincerely



Nigel Day
Law Society Professional Indemnity Insurance Committee Chair