

Title:

Professional Indemnity ~ Call Yourself And Expert? You'd Better Be

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761

Summary:

In business, information can be the most valuable product of all. It can also be the most costly.

Realistically, though, even experts can make mistakes, which is why Professional Indemnity insurance is essential.

Keywords:

Insurance, car insurance, auto insurance

Article Body:

In business, information can be the most valuable product of all. It can also be the most costly.

Realistically, though, even experts can make mistakes, which is why Professional Indemnity insurance is essential.

Likewise, an insurance broker who neglects to inform a client about the correct level of insurance is negligent.

So what types of experts should take out Professional Indemnity insurance? The scope is limited.

Basically, anyone who is paid to provide advice, based on the level of expertise conveyed to the client, should consider it.

For example:

- A firm of company registration agents was consulted by a business wishing to use a particular name.

- Structural drawings were prepared for the construction of steelwork. The drawings allegedly contained errors.

- A patient undergoing plastic surgery is rendered partially blind in one eye. Claiming improper advice.

Professional Indemnity premiums can be quite expensive, however, they are usually also retrospective.

Because of the nature of liability claims, it may be years after the event occurred before a claim is made.

This differs from other types of liability insurance policies, which, for the most part, are written on a prospective basis.

Retrospective cover on Professional Liability insurance can be limited, however. If the insured is not careful, they may find themselves underinsured.

For example:

Archie's Architectural Services held a Professional Indemnity policy with Professional Indemnity Insurance Co. Ltd.

W.R.G. decided to write the policy using retroactive date limitation from the date of inception.

Instead, W.R.G. will only consider claims made for incidents occurring from the date of inception.

Obviously, a policy without a retroactive date limitation is more advantageous to the insured.

Professional Indemnity insurance, then, is a vital part of any business that provides services to clients.

So, are you an expert yet?

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