

Supporting the legal profession with affordable, broad protection

As a 'profession owned' insurer Lawcover is focused on protecting the legal profession we serve.

Our deep understanding and support of the legal profession, and our close alignment with the Law Societies in NSW, NT and the ACT, enhance outcomes for solicitors, the profession and the broader community.

Lawcover is not profit maximising

Lawcover was established because of a failure of the commercial insurance market with the collapse of HIH Insurance in 2001. Lawcover operates like a 'mutual' style insurer and is not profit maximising.

Our business objective is to provide affordable and sustainable premiums, and we earn profit only to the extent necessary to maintain our stated capital targets, with any surplus used to place downward pressure on premiums.

We do not need to pay dividends to shareholders or fees to brokers to sell our policies to you — which all helps to keep premiums as low as possible.

We invest in risk management education and make it available to all insured practices at no or low cost, because we have the evidence to show that it works to prevent claims — which, in turn, helps us to moderate the cost of cover.

Commitment to affordable premiums

Keeping premiums affordable is one of our business objectives. Based on recent analysis by independent actuaries and in aggregated terms, Lawcover's premium rates have decreased by approximately 40% since 2010. Over the same period, Australian professional indemnity premium rates have increased by up to 20%.

We recognise that every law practice is unique, and our broad coverage is designed to adapt to a law practice as its size and risk profile evolves.



How are premiums calculated?

Premiums for law practices are calculated based on a combination of potential risk factors including:

- The amount of work undertaken by a law practice, based on gross fee income
- Risk management discounts, which are available for eligible risk management certification and participation in Lawcover's risk management activities
- Individual law practice claims history – where no claims or low claims discounts can apply
- Individual law practice claims performance – which may attract claims loadings
- The amount of claims excess chosen by the individual law practice, which is payable on claims losses by the law practice, noting that a higher claims excess can attract a premium discount

Beyond insurance - additional support for insured solicitors

In addition to our PII policy, Lawcover provides:

- Responsive and supportive claims service
- Cyber insurance providing \$50,000 foundational cover for emergency response services for cyber attacks and incidents, at no additional cost

- Assistance for law practices facing difficulties or risks, to address underlying issues through practice visits by our Practice Support Services team
- Risk management education for solicitors, administrative support staff, new graduates and paralegals – through online and face to face workshops – with a proven track record of helping to reduce the frequency and severity of claims
- Support in instances of financial hardship to ensure continuity of cover

Our ongoing commitment

Lawcover was created to protect and support the legal profession. With our strong capital position, Lawcover is not subject to pressure from shareholders to increase premiums, reduce cover or exit the market when the going gets tough. We set our premiums responsibly to ensure that we can continue to provide our bespoke services to law practices well into the future.

We are proud of our achievement in maintaining a sustainable, profession owned PII scheme for solicitors for over 30 years.