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22 March 2016

Dear Sirs

**Response of the CLLS Professional Rules and Regulation Committee to the "SRA Consultation on The Insurance Act 2015 and Consequential Changes to the Minimum Terms and Conditions of Professional Indemnity Insurance of Professional Indemnity Insurance" (the "Consultation")**

The City of London Law Society ("CLLS") represents approximately 15,000 City lawyers through individual and corporate membership including some of the largest international law firms in the world. These law firms advise a variety of clients from multinational companies and financial institutions to Government departments, often in relation to complex, multi-jurisdictional legal issues.

The CLLS responds to a variety of consultations on issues of importance to its members through its specialist committees. This response to the Consultation has been prepared by the CLLS Professional Rules and Regulation Committee.

On 12 February 2016 the SRA started the Consultation, which closes on 24 March 2016. The response of the CLLS Professional Rules and Regulation Committee is below.

Question 1 – Do you agree that the Minimum Terms and Conditions of Professional Indemnity Insurance (MTC) should adopt the non-consumer standard of non-disclosure once the

Insurance Act 2015 comes into effect? If not, please supply any evidence that you have to indicate why we should intervene to impose a consumer standard.

We agree with that the MTC should adopt the non-consumer standard of non-disclosure once the Insurance Act 2015 comes into effect. Although the duty of fair presentation is arguably more demanding than the previous obligations – including in particular that an insured's risk presentation has to be reasonably clear and accessible – we believe that the member firms of the City of London Law Society will already likely have the processes in place to satisfy this duty so that this new standard would not introduce any real greater obligations.

Question 2 – Do you have any further comments regarding the proposed changes?

We have no further comments.

Question 3 – Do you have any views about our assessment and the impact of these changes and, are there any impacts, available data or evidence that we should consider in developing our impact assessment?

We agree with the SRA assessment and have nothing to add to the impact assessment. We assume that, in any event, the SRA are discussing impacts with the major providers of Professional Indemnity Insurance in the London market, e.g. QBE and Travelers."

Yours faithfully

THE CITY OF LONDON LAW SOCIETY

Professional Rules and Regulation Committee

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Its contents should not be taken as legal advice in relation to a particular situation or transaction.

Individuals and firms represented on this Committee are as follows:

Sarah de Gay (Slaughter and May, Chair)

Roger Butterworth (Bird & Bird LLP)

Sonya Foulds (Freshfields Bruckhaus Deringer)

Clare Wilson (Herbert Smith LLP)

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