

Preferred Risk Facility for Large U.S. Accounting Firms

Aon's Professional Services practice develops its own proprietary insurance solutions tailored to clients' specific needs. Our Preferred Risk Facility is one such offering, providing industry-leading professional liability coverage for U.S. accounting firm clients.

Overview

Professional liability insurance protects accounting firms against claims arising out of the services they provide to their clients. As part of our continued drive to deliver distinctive value, Aon's Professional Services practice has developed the Preferred Risk Facility, an exclusive professional liability insurance offering for U.S. accounting firms.

Policy Features

Our proprietary Preferred Risk Facility offering has the following features:

- Broad-form coverage, which includes:
 - "Lead insurer only" claims-handling
 - Choice of counsel to defend claims
 - Affirmative coverage of punitive damages
 - Broad definition of covered professional services
 - Greater contract certainty with respect to additional costs arising from significant growth, mergers and acquisitions
 - A 60 day grace period post expiry for the reporting of claims and regulatory proceedings that fall within the prior policy period
 - 12 month extended reporting period (ERP) options that may be invoked by the firm in the event of cancellation either by the firm or its insurer (two-way ERP)
- Premiums priced very competitively to those policies offering inferior coverage
- No exclusion for claims arising from circumstances the firm may be aware of but fails to notify prior to policy inception
- A primary layer limit of up to \$40 million
- No "hammer" clause to force the settlement of claims by insurers
- Coverage for regulatory fines and penalties where insurable by law
- An "impairment" clause which allows the insured to cancel an insurer's participation from the date of "impairment" during the policy period with a pro-rata return of premium

We're here to empower results

To learn more about our Preferred Risk Facility for accounting firms, please contact:

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Insurers

Our Preferred Risk Facility is underwritten by the industry's most highly-regarded professional liability insurers. The insurers and their underwriters possess significant experience in this specialized class of business, and all insurers in the Facility possess an A.M. Best rating of "A" or higher.

Our Expertise

Aon is the only insurance broker with a unified global team dedicated solely to providing specialized insurance brokerage and risk advisory services to accounting firms. The Professional Services team represents 50 of the 100 largest U.S. accounting firms. While there are many insurers offering a variety of products within the professional liability insurance market, only Aon can utilize its market leverage to negotiate comprehensive and cost-effective manuscript policies which recognize the unique exposures that our accounting firm clients face.

Our Value-Added Services

Risk Management Information and Analytics

- Aon is the only broker with dedicated risk analysts focusing on accounting firms.
- Our loss mitigation efforts are carefully tailored to our clients' needs, incorporating both statistical and environmental risk analyses.

Global Broking Reach

- Full time market brokers in London, Bermuda, New York, Chicago and Singapore who focus solely on the placement of coverage for professional service firms.

Why Professional Services?

We leverage our unique and extensive knowledge of issues relevant to accounting firms, our market access and expertise and our integrated global platform to benefit our clients. Professional Services focuses on the individual client, building a dedicated team whose leader is accountable to that client with the power to identify customized solutions and deliver them locally or worldwide.

- We have over 75 years of experience providing insurance to accounting firms.
- We create innovative insurance solutions tailored to meet the specific needs of our individual clients, rather than accepting "off-the-shelf" products offered by insurance markets.
- We collect superior proprietary risk information that allows us to provide our clients with industry-leading benchmarking data.
- We are the largest producer to virtually all key insurers throughout the world that underwrite professional service firms, placing more than US\$1 billion of premium annually.
- We maintain active relationships with insurance company senior management, product line managers, line underwriters, and claims professionals to ensure appropriate points of access for our clients and, more importantly, responsive claims resolution.
- Our global platform allows us to reach insurance markets and new sources of capital anywhere in the world on behalf of our clients.
- We bring our practitioners together to form client service teams that have the right combination of industry, subject matter and geographical experience.

Actuarial and Risk Modeling

- Aon is the only broker with a dedicated actuarial team that focuses solely on professional services firms for the purpose of ensuring both that commercial insurance pricing does not overstate the underwriting risk to the insurer and to ensure that our clients can consider alternative forms of risk financing when making their insurance buying decisions.

Claims Advocacy and Collection

- Our industry-leading practitioners include dedicated claims advocacy counsel and claims collection specialists with over 25 years of claims-handling experience.
- We have collected over US\$7 billion in professional liability claims on behalf of our clients, more than all other insurance brokers combined.