

# Have you been unable to renew your professional indemnity insurance?

## News

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Professional Indemnity Insurance provides vital protection for clients should unexpected events cause them financial loss.

However, sometimes it can be difficult to renew policies for whatever reason. If this happens, a firm will enter the Extended Policy Period (EPP). The EPP makes sure that cover is provided by the last-named insurer for a further 30 days. If this applies to your firm you should use the time to secure insurance.

Under the SRA Indemnity Insurance Rules 2013, every firm that enters the EPP has an obligation to inform us of their position by emailing our [Insured Reports team \[https://www.sra.org.uk/contactus/\]](https://www.sra.org.uk/contactus/). Firms should also let their last recorded insurer know too.

At the end of the 30 days, if you still haven't been able to secure insurance you will move into the cessation period which lasts for 60 days. Again, it is important that you let both us and the insurer that last provided you with cover know if this happens.

During the cessation period you cannot take on any new business. Whilst you can still look for insurance during this period you must also draw up parallel plans to make sure that, should you not be able to get a policy in place, you can close in an orderly manner and do not continue to trade after the end of the cessation period. [Read more information on closing down \[https://www.sra.org.uk/solicitors/guidance/closing-down-your-practice/\]](https://www.sra.org.uk/solicitors/guidance/closing-down-your-practice/).

Firms facing practical difficulties in obtaining indemnity insurance because of Covid-19 may want to consider applying for a waiver to extend the EPP/CP but only if their insurer has agreed to that extension.

If you are going through a merger with another firm, it is important that the acquired firm closes in an orderly way and that the appropriate notifications are sent to us. [Read more information about notifying us. \[https://www.sra.org.uk/solicitors/firm-based-authorisation/firm-closures/\]](https://www.sra.org.uk/solicitors/firm-based-authorisation/firm-closures/)

If you need further guidance, speak to our [Ethics Guidance team \[https://www.sra.org.uk/contactus/\]](https://www.sra.org.uk/contactus/).