



SPECIALIST
PROFESSIONAL
INDEMNITY
INSURANCE



FACT SHEET SERIES: 17

P&I club managers

Specialist professional indemnity insurance

ITIC
IS MANAGED
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@ITIC insurance

Expert view

ITIC is the leading provider of professional indemnity insurance to P&I club managers. As a mutual, ITIC can appreciate the service that a P&I club wants to provide its members and the issues faced if there has been a mistake.

ITIC has wide experience in assisting P&I club managers in minimising the financial impact arising from such mistakes as:

- Allowing a claim to become time barred
- Errors in the finance team
- Underwriters failing to check policies are correct

You don't have to make a mistake to be sued.

You could receive a claim even if you were not negligent in the provision of your services. ITIC insurance covers defence costs, which can be extremely expensive.

The team understands these problems and is here to help.



ITIC has extensive experience from insuring P&I club managers which grows every year. ITIC's loss prevention advice channels the experiences of all the members to best help you navigate the ever-changing global landscape.

Policy predicament

A passenger was booked on a trip by a US travel agency. The ship owner had asked that the travel agency be added to their policy as a co-assured. The P&I club refused, as they wanted to limit their exposure in the US, amongst other reasons.

At successive renewals the member pushed for the travel agency business to be added to their cover and they were denied. However, on one renewal the member asked whether the agency could be covered under an affiliated company status.

The club did not disagree, but merely explained how that status worked. The company was not added to the policy, but subsequent to the death of the passenger, American lawyers were appointed by the estate and sued all parties involved and included the club in the proceedings.

The legal costs were extensive and the process was time consuming.

Accountancy error

The finance teams are not exempt. There was an incident where the P&I club paid the same claim twice.

On realising their error, during a later audit, they looked to recover the second payment from their member. However, in the time that had elapsed the member had gone into liquidation. Funds could not be recovered and they were a claim on the club's PI policy.

Policy highlights

- Worldwide professional indemnity (errors & omissions) cover
- Legal defence costs insurance
- Automatic cover for subcontractors
- Contractual risk management guidance
- Support from worldwide network of correspondents
- Discretionary insurance adjudicated upon by fellow transport industry professionals
- Quality loss prevention advice
- No external shareholders
- Mutual dividends paid at renewal
- Underwritten with industry knowledge



Cut and paste

An insurance broker told an underwriter that the policy formatting didn't fit with their system and asked if a few of the lines could be moved. The underwriter checked with their Chief Underwriting Officer who advised that as long as none of the policy wording was altered and that it was only cosmetic that it would be allowed on a case by case basis.

Unfortunately, in the editing of the document a clause was omitted which later caused issues when a claim arose. It was resolved amicably, but could have been contentious and probably would have lost the club their member.

Over exposure

The P&I club's member required non-poolable/SOL cover, which the club underwriter was arranging with reinsurance brokers.

The underwriter failed to confirm cover with the reinsurance broker, leaving their member exposed. The failure was also noted by external auditors who noted the error in their report.

Facts & figures at a glance

All figures US\$
All facts and figures correct as of 31st May 2025

Gross premium

\$76m

for the year

Claims paid

\$520m

since 1992

Members

3,741

Security rating

Backed by at least "A-" rated reinsurance programme

Worldwide insurance cover

ITIC is able to provide professional indemnity insurance, without restrictions, worldwide. An ITIC account executive is responsible for each country and will be your first point of contact. The ITIC team speaks French, Greek, Italian, Japanese, Mandarin, Russian and Spanish.

Credits paid

\$223m

surplus funds have been paid out to the members in the form of continuity credit since 1994

Disbursements & commissions

\$272m

of disbursements and commissions collected for members since 1992

Free reserves

\$289m

for ITIC and TIMIA combined

Annual premium

from **\$1,300**  **\$2.1m**

ITIC is committed to consistently providing competitively priced professional indemnity insurance (and related insurance covers) with valuable and high quality loss prevention advice to businesses servicing the marine, aviation and general transport industry. The ITIC team have a wealth of experience and knowledge.

36

Staff

A full time team to provide you with the best service possible.

16

Years

Average staff member's experience in the insurance/transport industry.

11

Years

Average staff member's time with ITIC. Several staff have over 25 years of service.

7

Lawyers

7 lawyers and a dedicated claims team.



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